

Date: 12th October, 2017

The Listing Dept.,
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Fort, Mumbai – 400 001

The Listing Dept.,
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051

Dear Sir/Madam,

Sub: Annual Report.

Ref: Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
Scrip Code: BSE – 532801; NSE – CTE

We wish to inform you that the 18th Annual General Meeting of the Company was held on September 25, 2017. In this regard, we enclose herewith the Annual Report of the company as required under Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We request you to take the above information on record.

Thanking you,

Yours faithfully,

For Cambridge Technology Enterprises Limited


T V Siva Prasad
(CFO, Company Secretary & Compliance Officer)



Encl: As above

Registered & Corporate Office:

Cambridge Technology Enterprises Ltd.

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Cyber Pearl, Hitec City, Madhapur
Hyderabad - 500 081, Telangana, India.
Tel: +91-40-4023-4400
Fax: +91-40-4023-4600

Bengaluru

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Mumbai

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Chennai

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Delta Wing, Raheja Tower,
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Tel: +91-44-6659-8000,

Transforming
Organizations into
AI-first Leaders

Annual Report

2017

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| Aashish Kalra
| Chairman & CEO

Message to the shareholders

The world is transforming. Artificial Intelligence (AI) is a reality today because of the availability of high capacity computing resources and the unprecedented explosion in structured/unstructured data. AI and Machine Learning (ML) will define industries, both new and old, transforming data into a valuable knowledge asset and as a catalyst for disruption.

As the world transforms, businesses are going to end up with 'haves and have-nots' in the AI space. There will be businesses with resources to implement AI solutions and use AI to get to decisions, and there will be businesses standing still in the 'have-not' space. CTE is focused on solving the world's complex and most interesting business challenges with AI, transforming organizations into AI-first leaders by enabling our clients to create AI solutions that transform their businesses.

We spent our last two years to build the foundation at CTE that allows us to be better prepared to take advantage of the market opportunity. Today, CTE is one of the few organizations in the world with 100 percent AWS certified Cloud Operations Center. We have strengthened our relationship with Amazon Web Services by achieving competencies in areas like Big Data and DevOps. This speaks volumes about our team's deep expertise in implementing, providing advisory and managed services in disruptive technologies. We are also appraised at Level 5 of the CMMI Institute's Capability Maturity Model Integration (CMMI)® v1.3 for our services, validating that CTE's software development processes are among the best-in-class.

CTE's performance is on track and consistent with the growth that it has delivered through the past two years. Strong performance drove record revenues with increase in profitability in FY 2016-17. Our consolidated revenues grew by 53 percent from INR 65.8 crores in FY 2015-16 to INR 100.6 crores in FY 2016-17, consolidated EBITDA grew by 93 percent from INR 11.4 crores in FY 2015-16 to INR 22.1 crores in FY 2016-17 and consolidated Net Profit grew by 86 percent from INR 9.1 crores in FY 2015-16 to INR 16.9 crores in FY 2016-17.

With the foundation built in the last two years, we are inspired to achieve our Vision 2020 and be part of this transformation.

I thank all our stakeholders for their confidence in us, especially our employees for their persistent efforts and commitment that has contributed largely to our success. We look forward for continued performance going forward for achieving our next set of milestones

Aashish Kalra

Chairman & CEO



BOARD OF DIRECTORS

Aashish Kalra, Chairman & CEO

Aashish Kalra is the Chairman & CEO of Cambridge Technology Enterprises Ltd (CTE). He is a pioneering equity investor in Technology, Infrastructure, Real Estate, Energy, Logistics and Hospitality. Initially, at CTE LLC, Aashish Kalra was also one of the co-founders of Cambridge/Samsung Partners, one of the earliest independent venture capital firm in Boston in 1996 in partnership with Samsung of Korea with a vision to provide funding and assistance for seed and early stage IT companies. Being a co-founder of Cambridge Samsung Resources, a leading Systems Integrator, he also concluded successful partnerships and joint ventures with Hewlett-Packard, Marubeni, NEC and other global 1000 companies. CTE LLC has been associated as founders and investors of several successful technology companies.

As the Chairman, he foresees the global operations of Cambridge Technology Enterprises Limited providing strategic vision and leadership to the company. He is responsible for the overall company growth and expansion. He has been consistently quoted in leading Indian and International media and was featured in the “Young Turks” program on CNBC. He is an international speaker and has participated in several industry events in America, Europe, India, China and the Middle East. In 2008, he was named one of the “Outstanding 50 Asian Americans in Business”.

Aashish attended The Doon School at Dehradun in India. He also holds a Master’s degree in International Finance from Brandeis University, Waltham, USA, and graduated from St. Stephens College, Delhi with a Bachelor’s degree in Economics (Honors). He did his thesis on the Japanese Financial System at Sophia University, Tokyo, Japan.

Dharani Raghurama Swaroop, Whole-time Director

Dharani Raghurama Swaroop heads the overall operations in India and is responsible for the corporate governance and statutory compliances-related aspects of CTE. Prior to his association with CTE, Swaroop co-founded a successful IT systems integration company comprising of more than 150 personnel. Swaroop holds an electrical engineering degree from Jawaharlal Nehru Technological University, India. He is a member of the following Committees of the board of the company viz., Audit Committee and Stakeholders Relationship Committee.

Venkat Motaparthi, Independent Director

Venkat Motaparthi, a graduate in Pharmacy with Post graduation in Management has varied experience of over 25 years. He is a serial entrepreneur and had set up companies to manufacture telecom & transmission towers, industrial fasteners, and industrial chemical equipment.

Currently, he is the President of VKR College and Chairman of VKR, VNR, and AGK Engineering College. He is also Chief Executive Officer of NTR Memorial Trust. He is actively associated with industries associations like FAPCCI, IALA and Non-Profit Organization – Anokhi Aasha. He is a member of the Stakeholders Relationship Committee of the board of the company. He occupies the Chairmanship in Audit Committee & Nomination and Remuneration Committee.

B. Muralidhar, Independent Director

B.Muralidhar is Director on Board of DS Unics Infotech Ltd, and is responsible for the finance and accounts of the company. He is a commerce graduate from Andhra University and MBA from Birla Institute of Technology and Science (BITS), Ranchi. He has played key role in setting up and scaling extensive IT hardware sales & services for the company and has all round exposure to software deployment, maintenance and support services for customers in India.

Prior to joining DS Unics, he worked with southern agencies, and established the dealer network for them in and across the states in South India. He is a member of the following committees of the board of the company viz., Audit Committee and Nomination and Remuneration Committee. He occupies the Chairmanship in Stakeholders Relationship Committee.

K. Jayalakshmi Kumari, Independent Director

Dr. Jayalakshmi Kumari holds Master's degree in Political Science from Andhra University, Master's Degree in Economics from Osmania University, Masters in Philosophy (Political Science) and Master's Degree in Education. She is an academician having extensive experience in teaching Political Science and Policy Administration.

She has worked with an NGO- Human Action for Rural Development, Hyderabad (HARD). Presently, she is working as a Professor in Nalanda Educational Institutions, Hyderabad. She is a member of the Nomination and Remuneration Committee of the Board.

Stefan Hetges, Director

Stefan joined CTE as a part of the acquisition of smartShift, the leading provider of tool-based modernization of complex IT systems. Stefan started his career as a consultant at Cambridge Technology Enterprises Group. In 2001, Stefan acquired the assets of i-Cube from Razorfish in a management buyout and formed smartShift. Stefan has a Masters in Computer from University of Constance.



MANAGEMENT TEAM

Aashish Kalra, Chairman & CEO

Aashish Kalra as the Chairman & CEO of Cambridge Technology Enterprises Limited. He is a pioneering equity investor in Technology, Infrastructure, Real Estate, Energy, Logistics and Hospitality. Initially, at CTE LLC, Aashish Kalra was also one of the co-founders of Cambridge/Samsung Partners, one of the earliest independent venture capital firm in Boston in 1996 in partnership with Samsung of Korea with a vision to provide funding and assistance for seed and early stage IT companies. Being a co-founder of Cambridge Samsung Resources, a leading Systems Integrator, he also concluded successful partnerships and joint ventures with Hewlett-Packard, Marubeni, NEC and other global 1000 companies. CTE LLC has been associated as founders and investors of several successful technology companies.

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Dr. Rajan Lukose, CTO & Chief Data Scientist

Dr. Rajan Lukose was a Senior Research Scientist at Hewlett Packard Laboratories for over a decade. He also worked at the Xerox Palo Alto Research Center. He has over 25 patents registered in his name and has several laurels including an IBM award in Computational Finance. He has over 20 publications like ‘Learning User Purchase Intent From User-Centric Data’, ‘Local Search in Unstructured Networks’, ‘An Economic Approach to Hard Computational Problems’. He received a PhD in Physics from Stanford University and had done his thesis on ‘Internet Dynamics’.

T V Siva Prasad, Chief Financial Officer & Company Secretary

T V Siva Prasad is the Chief Financial Officer, Company Secretary & Compliance Officer for Cambridge Technology Enterprises. He has over 16 years of experience in accounting, finance and compliance. He has contributed extensively in reputed companies such as Tata Projects Ltd., Dr. Reddy’s Laboratories, United Breweries and Tech Mahindra. Siva is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He is also an associate member of the Institute of Company Secretaries of India and holds an Executive PG Diploma in Management from Indian Institute of Foreign Trade.

Nitin Tyagi, Vice President – Enterprise Solutions

Nitin Tyagi is the Vice President Enterprise Solutions for Cambridge Technology Enterprises, and heads the technical delivery in North America for Cloud Computing, Service-Oriented Architecture (SOA), Business Intelligence, and Data Warehousing, with a focus in delivery of enterprise products. Nitin oversees global delivery teams, works with global business teams, and the Client Partner of large strategic accounts.

He has over 15 years of professional global experience in the software industry and successfully led multiple consulting, client services, sales and delivery roles across companies. Prior to joining CTE, Nitin led engineering, development, and commercial production efforts of ZDK-7100 Series Irde to set-top boxes for Zintech Holding, B.V., Netherlands, a consumer electronic solution provider. Nitin holds Masters and Bachelors in Computer Sciences.

Sudip Kar, Vice President – Delivery

Sudip Kar joined CTE in 2003 to lead and implement enterprise software and cloud development projects using global delivery model. He manages and nurtures the relationship of most of the large strategic clients of CTE in the United States. He helped CTE attain and maintain CMMi level 5, arguably the highest level in maturity framework in the world. He heads the delivery and client management from various CTE locations in the world, servicing the Company's U.S, EU and India based customers. He also heads the PMO – the quality and delivery monitoring unit of CTE. Prior to joining CTE he was a founding member of a USA based start-up in San Francisco Bay Area, and successfully merged its technology with a French conglomerate. Over his 21 years of experience in IT industry, Sudip worked both in India and the USA for various companies like HCL, HP and Delsoft. Sudip holds a degree in Computer Science and Engineering from Jadavpur University.

Radha Raghupathy, Director – BPO

Radha is the Director BPO for CTE. She has over 21 years of comprehensive experience in managing large scale BPO's. She also has entrepreneurial experience in setting up and managing a BPO for Standard Chartered Bank – Aran Associates. Her core expertise lies in setting up processes, business expansion and growth, and managing overall global operations. At Cambridge Bizserve she spearheads the entire BPO operations and is responsible for new customer acquisition while managing the global delivery. Radha has been managing IT and ITeS partners for The Home Depot, HD Supply and Tyco for about 7 years. This experience enables her to understand customer expectations and fine tune the delivery to suit customer needs. Prior to Cambridge Technology Enterprises, she was associated with Azur, Tyco, HD Supply, The Home Depot and Optimus Global Services.

Hanumant Bhansali, Manager - Corporate Finance & Head - Investor Relations

Hanumant Bhansali brings over 7 years of experience in Investment Banking and Corporate advisory. He brings in end-to-end transaction execution capabilities coupled with incisive business and financial analysis. He has successfully completed transactions across a range of sectors. Prior to CTE, Hanumant has contributed in reputed companies such as TCS, Seagull and Nine Rivers Capital Advisors. He is a MBA in Finance from Welingkar Institute of Management and B.Tech from JNTU.

Alan Roth, General Counsel

Alan Roth's wide and deep experience with closely and publicly-held, well-established and start-up, for-profit and non-profit businesses in many industries has enabled him to consistently close deals for his clients on the best possible terms. Alan graduated Amherst College magna cum laude. He holds a Master's in Journalism from Columbia University and took his JD at Stanford Law School.



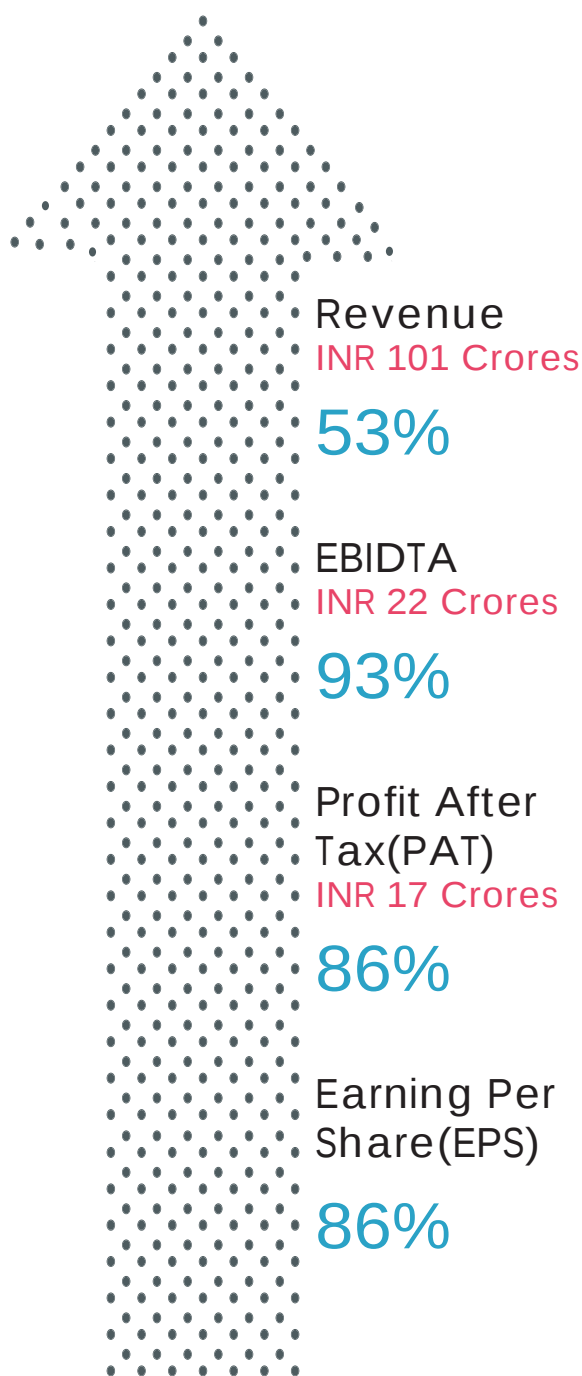
OVERVIEW

Cambridge Technology Enterprises (CTE) is a leading global technology company focused on Artificial Intelligence (AI) as a service to transform organizations into "AI-first" leaders.

CTE focuses on solving the world's complex and most interesting business challenges with AI, transforming organizations into "AI-first" leaders by enabling our customers to create AI solutions that transform their businesses and industries. CTE's products and services address all the transformational AI needs of an organization — from strategic workshops to implementation of transformative business solutions through its AI as a Service (AlaaS) leveraging Big Data, Cloud & Machine Learning experience.

In 2015, we had set out to build a foundation to be in a position to be a leader in this space. In the last two years, we have put together our foundation that allows us to be better prepared to take advantage of this market opportunity. For instance, CTE is one of the few organizations in the world with 100 percent AWS certified Cloud Operations Centre with the ability to provide 24/7 management of Public, Hybrid (AWS, MS Azure, GCP) and Private cloud environments (VM Ware and OpenStack). CTE is appraised at the Level 5 of the CMMI Institute's Capability Maturity Model Integration (CMMI)® v1.3 for its services and it is only one of the ~30 companies appraised at this level for services in India.

CTE's expertise across multiple domains makes it the preferred choice for organizations seeking an AI Partner to innovate and leapfrog the market.



Key Financial Highlights FY2017



DIRECTOR'S REPORT

REPORT OF THE DIRECTORS**DEAR MEMBERS,**

Your Directors present their Report together with the audited financial statements for the year ended March 31, 2017.

FINANCIAL SUMMARY**(In INR Lakhs)**

Particulars	Consolidated Results		Standalone Results	
	FY 2016-17	FY 2015-16	FY 2016-17	FY 2015-16
Revenue from operations	10,060.36	6582.49	3865.55	2945.33
Expenses	7854.94	5439.60	3396.21	2463.16
Depreciation & Amortization	379.12	578.28	96.01	309.85
Finance Charges	133.40	49.27	13.80	3.19
Other Income	127.29	139.14	90.41	143.61
Profit from Ordinary Activities	1820.19	654.48	694.22	312.73
Exceptional Items	(244.28)	-	(244.28)	-
Tax Expense / (Tax Benefit)	376.18	(251.21)	269.86	(245.77)
Net Profit	1688.30	905.69	424.36	558.50
Reserves & Surplus	2569.02	1915.82	756.43	1309.20

REVIEW OF OPERATIONS / STATE OF COMPANY'S AFFAIRS FOR THE FY 2016 - 17

During the financial year under review, the revenue of your Company grew by 31% and increased by INR 920.22 Lakhs on a Standalone basis. Further, total revenue on a consolidated basis increased to INR 10,060.36 Lakhs as compared to the previous year's total revenue of INR 6582.49 Lakhs, at an annual growth rate of 53%.

The Standalone Profit before Tax and after exceptional items stood at INR 694.22 Lakhs as compared to INR 312.73 Lakhs in the previous year and the consolidated Profit before Tax and after exceptional items stood at INR 2064.48 Lakhs as compared to INR 654.48 Lakhs in the previous year. The Standalone PAT (Profit after Tax) decreased to INR 424.36 Lakhs as from INR 558.50 Lakhs in the previous year at a rate of 24% and the consolidated PAT increased to INR 1688.30 Lakhs as from INR 905.69 Lakhs in the previous year, at a growth rate of 86%. The exceptional item represent reversal of goodwill amortization of Rs. 244.28 Lakhs for the year ended March 31, 2017.

In the financial year 2016-17, overall the company's performance is satisfactory because of improved topline sales. Considerable investments have been made in the financial year 2016-17 through its subsidiaries to expand its operations.

Detailed analysis of financial statements is given in Management Discussion and Analysis Report forming part of this Annual Report.

TRANSFER TO RESERVES

The Board of Directors did not propose to transfer any amount to reserves for the period under review.

DIVIDEND

Keeping in view the expected cash flow requirements and in order to conserve the resources for future business operations and for the future growth of the Company, the Board of Directors were not able to recommend any dividend for the financial year ended 31st March, 2017.

CAPITAL STRUCTURE

During the year, the authorized share capital and paid up capital of the Company remained unchanged at INR 300,000,000/- divided into 300,000,00 equity shares of INR 10/- each & INR 196,310,150/- divided into 196,310,15 equity shares of INR 10/- each respectively.

SCHEME OF REDUCTION OF CAPITAL

In order to present a true and factual financial position of the Company, the Board of Directors of the Company approved the draft Scheme of Reduction of Capital on 18th November, 2015 to utilize the balance lying in the Securities Premium Account amounting to INR 2252.16 Lakhs of the Company to write off the entire Goodwill amounting to INR 977.14 Lakhs and the balance against the accumulated losses to the extent of INR 1275.02 Lakhs of the Company. The Company has obtained member's approval for the same through EGM dated 06th April, 2016.

The Hon'ble High Court of Judicature at Hyderabad has approved the Scheme of Reduction of Capital and a certified copy of order dated 5th October, 2016 has been received by the Company. The Registrar of Companies at Hyderabad has registered the certified copy of the order and the minute approved by the Hon'ble High Court on January 09, 2017. Hence pursuant to Section 103(2) of the Companies Act, 1956, necessary entries have been passed during the year 2016-17. As per the approved scheme, Goodwill amounting to INR 977.14 Lakhs and accumulated losses of INR 1275.02 Lakhs were adjusted against the Securities Premium Account available as on 31.3.2015.

The Reduction of paid-up share capital of the Company by way of writing off of the losses and the goodwill of the Company against the amount lying in the securities premium account of the Company does not involve reduction in the issued, subscribed, paid up share capital of the Company, any payment of the paid up share capital to the shareholders of the Company nor does it result in extinguishment of any liability or diminution of any liability.

The detailed Scheme on the same and other related documents are available on the Company's website. (URL: <http://www.ctepl.com/investors/>)

REPORT ON SUBSIDIARIES

During the year under review a subsidiary and a step-down subsidiary to Cambridge Technology Enterprises Ltd were incorporated viz., Cambridge innovations Private Ltd., India and Cambridge Innovations Capital LLC, USA respectively. Cambridge Innovations Capital LLC, USA is a subsidiary of Cambridge Technology Inc., USA, a wholly – owned subsidiary company.

As on March 31, 2017, the Company has 4 wholly-owned subsidiaries viz., Cambridge Technology Inc., USA, Cambridge Technology Investments Pte. Ltd., Singapore, Cambridge Bizserve Private Limited & Cambridge Innovations Private Limited.

The consolidated financial statements of the Company including its subsidiaries have been prepared in accordance with Section 129(3) of the Companies Act, 2013 which forms part of this Annual Report. Further, a statement containing the salient features of financial statement of our subsidiaries in the prescribed format AOC-1 as per the Companies Act, 2013 is appended as **Annexure - 1** to the Board's Report. The said statement also provides details of performance and financial position of each of the subsidiaries.

As required under Section 136 of the Companies Act, 2013 the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on the website www.ctepl.com. These documents will also be available for inspection during the business hours at the registered office of the Company and any member who wish to get copies of such financial statements, may write to the Company for such requirement.

Highlights

Cambridge Technology Inc., USA, had net revenue of INR 9437.12 lakhs during the year as compared to INR 6813.30 lakhs revenue during the previous financial year. The net profit is INR 1474.74 lakhs in FY 2017 as compared to INR 360.69 lakhs in FY 2016. The contribution of Cambridge Technology Inc., USA to the overall performance of the company is in the form of revenue, earned by the company by rendering its services to Cambridge Technology Inc., amounting to INR 3235.57 lakhs.

Cambridge Technology Investments Pte. Ltd, Singapore, had net revenue of INR 30.13 lakhs in FY 2017 as compared to INR 213.09 lakhs revenue during the previous financial year. The total loss stood at INR 88.95 lakhs in FY 2017 as against INR 7.66 lakhs in FY 2016.

Cambridge Bizserve Private Limited & Cambridge Innovations Private Limited, wholly – owned subsidiary companies, has not commenced its operations and Cambridge Innovation Capital LLC, USA, a step – down subsidiary company, has no revenue from its operations as on March 31, 2017.

DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL

The Board of Directors of your Company comprises of 6 (six) Directors as on the date of this report representing the optimum blend of professionalism, knowledge and having varied experience in different disciplines of corporate functioning. Of these, 3 (three) Directors are Independent Directors.

Retirement by rotation

Pursuant to provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Aashish Kalra (DIN: 01878010) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment to the office of directorship. Your Board of Directors recommend his re-appointment.

Appointments & Resignation

There are no appointments and resignation of Directors during the year 2016-17.

BOARD AND COMMITTEE MEETINGS

The Board met 06 (six) times during the year. Details of the composition of the Board and its Committees and of the meetings held and attendance of the Directors at such meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Section 173(1) of Companies Act, 2013 and Regulation 17(2) SEBI (LODR) Regulations, 2015.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have given a declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 read with the rules made thereunder and Regulation 16(1)(b) of SEBI(LODR) Regulations, 2015.

FAMILIARIZATION PROGRAM

The Company at its various meetings held during the financial year 2016-17 had familiarized the Independent Directors. The Independent Directors of the company have been briefed at the meetings of the Board / Committees thereof on the matters such as their roles, rights, functions, duties & responsibilities in the Company, nature of the industry in which the Company operates, the business models and operations of the Company, financial results of the Company and that of its subsidiary companies, update on statutory and regulatory changes and impact thereof, business strategy of the company, risk management, board governance, human resources and overview of board evaluation and procedures. They are made to interact with senior management personnel and are given all the documents, reports and internal policies sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part which enable the Directors to contribute significantly to the Company.

Details of familiarization programs extended to the Independent Directors during the year are also disclosed on the Company website from time to time.

Web link:

<http://www.ctepl.com/wp-content/uploads/2017/04/FamiliarisationPrgrammeCTE2017.pdf>

PERFORMANCE EVALUATION, NOMINATION & REMUNERATION POLICY

Pursuant to the provisions of Companies Act, 2013 read with the rules made thereunder and SEBI (LODR) Regulations, 2015, the performance evaluation of individual Directors, Board and its Committees was carried out.

The requisite details as required by Section 134(3), Section 178(3) & (4) of Companies Act, 2013 and Regulation 34(2) of SEBI (LODR) Regulations, 2015 is provided elsewhere in this report and/ or Corporate Governance Report.

Performance evaluation, nomination and remuneration policy is attached as an annexure 2 to Corporate Governance Report and the same is available on the website of the Company at http://www.ctepl.com/pdfs/investors/Performance_evaluation_nomination_remuneration_policy.pdf.

EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance and that of its Committees and individual Directors.

The performance of the Board, Committees and individual Directors was evaluated by the Board seeking inputs from all the Directors and chairperson. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members and Chairperson. The same was done through evaluation forms.

The criteria for performance evaluation of the Board include aspects like contribution of the board to the development strategy, contribution of the board to ensure robust and effective risk management, composition of the board and its committees, right balance of knowledge and skills to maximize performance, Board response to any problems or crisis that arose, matters specifically reserved for the board, Board communication with the management team, employees and others, effectiveness of its use of the Annual General Meeting and the annual report, updating to the Board with the latest developments in the regulatory environment and the market, Conduct of Board Meetings at suitable length, management response to the Board, receipt of right information and quality of timely information by the Board, etc.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013 and to the best of their knowledge and ability, the Board of Directors confirm that:

- a) In preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards have been followed and there were no material departures from prescribed accounting standards;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STOCK EXCHANGE LISTING

Presently, the Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited. The Company confirms that it has paid the Annual Listing Fees to the Bombay Stock Exchange Limited & National Stock Exchange of India Limited for the year 2016-17.

AUDITORS & AUDITORS' REPORT

There are no qualifications, reservation, adverse remarks or disclaimer made by the Statutory Auditors in their Report. The Company has received audit report with unmodified opinion for both standalone and consolidated audited financial statements of the Company for the financial year ended March 31, 2017 from the statutory auditors, M/s. Anandam & Co., Chartered Accountants.

M/s. Anandam & Co., Chartered Accountants were appointed as Statutory Auditors of the Company by the members at the 17th Annual General Meeting held on September 30, 2016 for a term of 5 consecutive years subject to ratification by the Members at every Annual General Meeting.

In this regard, M/s. Anandam & Co., Chartered Accountants have submitted their written consent that they are eligible and qualified to be re-appointed as Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 and also satisfy the criteria provided in Section 141 of the Companies Act, 2013.

Accordingly, the Board recommends ratification of the appointment of M/s. Anandam & Co., Chartered Accountants as the Statutory Auditors of the Company at the ensuing Annual General Meeting.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014. M/s. B. Krishnaveni, a Company Secretary in Practice was appointed to undertake the Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for financial year 2016-17 forms part of the Annual Report as **Annexure 2** to the Board's Report.

There are no qualifications, reservation, adverse remarks or disclaimer made by the Secretarial Auditor in her Report.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134 (3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as **Annexure 3** to the Board's Report.

PARTICULARS OF EMPLOYEES

The information required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure 4** to this report.

The information required under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure 4 forming part of the Report.

Remuneration / fees to Director from wholly owned subsidiary

During the financial year 2016-17, Mr. Aashish Kalra, Chairman & CEO, Whole – time Director of the Company received remuneration of INR 51,99,475/- from Cambridge Technology Inc., USA, a wholly owned subsidiary Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans, guarantees and investments, if any, made by the Company pursuant to Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this Annual Report.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013 or Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001, during the financial year ended 31 March 2016, the Company has credited an aggregate amount of INR 84,046/- to the Investor Education and Protection Fund (IEPF). There is no outstanding amount to be transferred to Investor Education and Protection Fund during the year 2016 – 17 as no dividend was declared in any of the financial year(s) consequent to FY 2007 – 08.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- A. CONSERVATION OF ENERGY:** The operations of the Company involve low energy consumption. However, adequate measures have been taken to conserve energy wherever practicable.
- B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:** The Company continues to use the latest technologies for improving the quality of its operations. Provision of state of the art communication facilities to all software development centers and total technology solutions to its clients contribute to technology absorption and innovation.
- C. FOREIGN EXCHANGE EARNINGS AND OUTGO:** The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows:

(in INRLakhs)

Particulars	Current year 31.03.2017	Previous year 31.03.2016
Foreign exchange earnings	3235.57	2541.41
Foreign exchange outgo:	Nil	Nil
Travel related Expenses	15.27	35.07

ADEQUACY OF INTERNAL FINANCIAL CONTROL SYSTEM

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

The Company has in place adequate internal financial controls commensurate with the size and needs of the business. These controls ensures the orderly and efficient conduct of its business, including adherence to the company's policies, identification of areas of improvement, safeguarding of its assets from unauthorized use, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial statements and / or disclosures. The details of adequacy of Internal Financial Controls are given in the Management Discussion and Analysis Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The requisite details as required by Section 177 of Companies Act, 2013 and Regulation 22 & 34 (3) of SEBI (LODR) Regulations, 2015 is provided in the Corporate Governance Report.

The Whistleblower policy is available on the website of the Company. Weblink: http://www.ctepl.com/pdfs/investors/Whistle_Blower_Policy.pdf

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to maintaining a productive work environment for all its employees at various levels in the organization, free of sexual harassment and discrimination on the basis of gender. The company has framed a policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has also set up an an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment against women employees at workplace. There was no case of sexual harassment reported during the year under review.

RISK MANAGEMENT

The Company process is in place to ensure that all the current and future material risks of the company are identified, assessed/quantified and effective steps are taken to mitigate/ reduce the effects of the risks to ensure proper growth of the business. The Board is of the view that there are no elements of risk as on today's date that may threaten the existence of the Company. Shareholders are also requested to refer a separate section on Internal Control systems and their adequacy, which also deals with Risk Management, in Management Discussion and Analysis Report.

EMPLOYEE STOCK OPTION SCHEME

The details of employee stock options as on 31st March, 2017 are given as **Annexure 5** to this report.

Disclosures pursuant to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, and as per Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the financial year ended 31 March, 2016 are available on website of the Company at <http://www.ctepl.com/investors/>.

The Certificate from the Auditors of the Company under regulation 13 of SEBI (Share Based Employee Benefits) Regulations, 2014 stating that the scheme(s) has been implemented in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014, as amended, from time to time and in accordance with the resolution of the company in the general meeting, will be available for inspection by the members at the ensuing AGM.

CEO/CFO CERTIFICATION

Mr. Aashish Kalra, Chairman & CEO and Mr. T V Siva Prasad, CFO & Company Secretary of the Company have provided Compliance Certificate (annexed as **Annexure 6**) to the Board in accordance with Regulation 17(8) read with Part B of Schedule II of the SEBI (LODR) Regulations, 2015 for the financial year ended 31 March 2017.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has formulated a Policy on dealing with Related Party Transactions. The Policy is disclosed on the website of the Company.

Web link: http://www.ctepl.com/pdfs/investors/Related_party_transactions_policy.pdf

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (LODR) Regulations, 2015 during the year were in the ordinary course of business and on an arms' length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Approval of the Board and / or Audit Committee is obtained, as required from time to time. The transactions are also reviewed by audit committee from time to time. However, there were no such transactions requiring approval of the Audit Committee/Board/Shareholders as per the Listing Regulations.

During the year, the Company had not entered into any contract / arrangement / transactions with Related Parties (except with its subsidiaries) which could be considered as material in terms of Regulation 23 of the SEBI (LODR) Regulations, 2015. In accordance with applicable accounting standards, disclosures on related party transactions have been made in the notes to the Financial Statements.

The information relating to particulars of contracts or arrangements with related parties referred to in sub Section (1) of section 188 of the Companies Act, 2013 in Form AOC-2 is annexed as **Annexure 7**, forming part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND CORPORATE GOVERNANCE

The Management Discussion and Analysis Report and the Report on Corporate Governance for the financial year ended March 31, 2017 along with the Auditor's Certificate on compliance with the provisions of corporate governance under SEBI (LODR) Regulations, 2015 is forming part of the Annual Report.

Your Company is committed to maintain the prescribed standards of Corporate Governance and has taken adequate steps to adhere to all the stipulations laid down in SEBI (LODR) Regulations, 2015.

Mrs. B. Krishnaveni, a Company Secretary in Practice, Secretarial Auditor of the company has certified that the conditions of Corporate Governance as stipulated under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 have been complied by your Company and her certificate is annexed as **Annexure 8** to this Report.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. The Company has not accepted any deposits from the public or otherwise in terms of Section 73 of the Companies Act, 2013 read with the rules made thereunder and as such no amount on account of principal or interest thereon on deposits from public was outstanding as on the date of Balance Sheet.
- b. There is no issue equity shares with differential rights as to dividend, voting or otherwise.
- c. No significant or material orders were passed by the Regulators, Courts or Tribunals which impact the going concern status and Company's operations in future.
- d. There were no material changes and commitments affecting financial position of the company between 31st March, 2017 and the date of this Board's Report.
- e. The Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013 and therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

- f. During the FY 2016-17, the Company is not required to comply with the provisions of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility.
- g. Pursuant to the SEBI (Share Based Employee Benefits) Regulations, 2014 and the Company's Employee Stock Option Scheme 2011 & Employee Stock Option Scheme 2015, the Company, during the year 2015 – 16, has granted employee stock options through a trust set up for the same. The shares purchased by the trust for the said schemes are held by the trustee(s) for the benefit of the employees and the said shares are not yet vested with the employees. Further, as the said trust is a non – promoter and non – public shareholder, it is herewith not exercising its voting rights. Hence, pursuant to Section 67(3) read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, the disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates to be made in the Board's report is not applicable.

APPRECIATIONS & ACKNOWLEDGEMENTS

Your Directors look to the future with confidence. Your Directors wish to express their appreciation for the valuable support and co-operation received from customers, investors, lenders, business associates, bankers, various statutory authorities and society at large. The Directors also thank the State Governments, Government of India, Governments of various countries, other Government Departments and Governmental Agencies. Your Directors are especially indebted to employees of the Company and its subsidiaries at all levels, who through their dedication, co-operation, support and dynamic work, have enabled the company to achieve rapid growth. Your Directors seek, and look forward to the same support during the future years of growth.

For or on behalf of the Board of Directors

Hyderabad
August 24, 2017

Aashish Kalra
Chairman & CEO
(DIN: 01878010)

Form AOC - 1

Statement containing the salient features of the financial statements of subsidiaries / Associate Companies / Joint Ventures

Part A - Subsidiaries

(in INRLakhs)

S. No	Name of the Subsidiary	Date of Acquisition*	Reporting Period	Reporting Currency & Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for Taxation	Profit after taxation	Proposed Dividend	% of Share holding
1	Cambridge Technology Inc., USA	23/12/2014	31 st March, 2017	USD & 64.84	1272.89	1965.07	5464.89	5464.89	2254.49	9430.38	1581.05	106.32	1474.74	NIL	100
2	Cambridge Technology Investments Pte. Ltd., Singapore	13/05/2015	31 st March, 2017	SGD & 46.43	1001.72	(126.74)	1364.604	1364.604	0.07	0.00	(88.95)	0.00	(88.95)	Nil	100
3	Cambridge Bizserve Private Limited	28/01/2016	31 st March, 2017	INR & 1.00	1.00	(0.50)	1.00	1.00	0.00	0.00	(0.14)	0.00	(0.14)	Nil	100
4	Cambridge Innovation Capital LLC, USA	15/02/2017	31 st March, 2017	USD & 64.84	2254.49	(117.45)	4118.39	4118.39	4114.75	0.00	(121.52)	0.00	(121.52)	Nil	100% share holding by Cambridge Technology Inc., USA, wholly – owned subsidiary company
5	Cambridge Innovations Private Limited	30/06/2016	31 st March, 2017	INR & 1.00	1.00	(0.32)	101.00	101.00	0.00	0.00	(0.32)	0.00	(0.32)	Nil	100

Notes:

- Names of Subsidiaries which are yet to commence operations: Cambridge Bizserve Private Limited & Cambridge Innovations Private Limited, wholly – owned subsidiary companies, has not commenced its operations and Cambridge Innovation Capital LLC, USA, a step – down subsidiary company, has no revenue from its operations as on March 31, 2017.
- Names of subsidiaries liquidated or sold or strike off during the year: NIL
- *The said subsidiaries were not acquired from any party, but are incorporated as wholly – owned subsidiaries.

Part B – Associates& Joint Ventures

The Company does not have any associates and joint venture.

Hyderabad
24th August, 2017

For or on behalf of the Board of Directors

Aashish Kalra
Chairman & CEO
Dharani Raghurama Swaroop
Whole – time DirectorT V Siva Prasad
CFO & Company Secretary

Secretarial Audit Report [Pursuant to Section 204(1) of the Companies Act, 2013 and rules made thereunder]

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Cambridge Technology Enterprises Limited
CIN:L72200TG1999PLC030997
Unit No. 04-03, Level 4,
Block 1, Cyber Pearl,
Hi-Tec City,
Madhapur,
Hyderabad – 500 081

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cambridge Technology Enterprises Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company during the year as there are no relevant transactions during the audit period:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that the Company has complied with the following law specifically applicable to the Company as declared by the Management of the Company:

- (i) The Information Technology Act, 2000.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) as issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Hyderabad
Date: 24.08.2017

Sd/-
B. Krishnaveni
ACS No. 9686
C P No.: 4286

Extract of Annual Return [pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.]

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L72200AP1999PLC030997
2.	Registration Date	28 th January, 1999
3.	Name of the Company	Cambridge Technology Enterprises Limited
4.	Category/Sub-category of the Company	Public Company/ Limited by shares
5.	Address of the Registered office & contact details	Unit No.04-03, Level 4, Block 1, Cyber Pearl, Hitec City, Madhapur, Hyderabad (TS) - 500081
6.	Whether listed company	YES – BSE and NSE
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Aarathi Consultants Private Limited, CIN: U74140TG1992PTC0140441-2-285, Domalguda, Hyderabad – 500029. Telangana.Tel: +91-40-27638111 Fax: +91-40-27632184 Mail ID: info@aarathiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Software Development,	62020	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1	Cambridge Technology Inc., 5051, Peachtree Corners Circle, Suite 200, Norcross, 30092 USA.	Business entity number: 5517362	Wholly Owned Subsidiary	100	2(87)
2	Cambridge Technology Investments Pte. Ltd, 51 GOLDHILL PLAZA #07-10/11 SINGAPORE 308900	Registration number: 201508834K	Wholly Owned Subsidiary	100	2(87)
3	Cambridge Bizserve Private Limited, Unit No.04-03, Level 4, Block 1, Cyber Pearl Hitec-city, Madhapur Hyderabad (TS)- 500081	CIN: U72300TG2016P TC102942	Wholly Owned Subsidiary	100	2(87)
4	Cambridge Innovations Private Limited, Unit No.04-03, Level 4, Block 1, Cyber Pearl Hitec-city, Madhapur Hyderabad (TS)- 500081	CIN: U72200TG2016P TC110628	Wholly Owned Subsidiary	100	2(87)
5	Cambridge Innovations Capital LLC, 120 SE 6th Avenue, Suite 230, Topeka, KS 66603	Business entity number: 6081900	Step Down Subsidiary	100 % by Cambridge Technology Inc.,	

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0	0	0	0	0	0
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub – total (A) (1)	0	0	0	0	0	0	0	0	0
(2) Foreign	0	0	0	0	0	0	0	0	0
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	9209693	0	9209693	46.91	9209693	0	9209693	46.91	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub – total (A) (2)	9209693	0	9209693	46.91	9209693	0	9209693	46.91	0
Total shareholding of Promoter (A) = A(1)+A(2)	9209693	0	9209693	46.91	9209693	0	9209693	46.91	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	489768	0	489768	2.49	511378	0	511378	2.60	0.11
ii) Overseas	0	309920	309920	1.58	0	309920	309920	1.58	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2548026	1210	2549236	12.99	2348466	610	2349076	11.97	(1.02)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2761814	0	2761814	14.07	2947322	0	2947322	15.01	0.94
c) Others (specify)									
Foreign Bodies	2056600	57381	2113981	10.77	2030600	57381	2087981	10.64	(0.13)
Clearing Members	55331	0	55331	0.28	45902	0	45902	0.23	(0.05)
Non Resident Indians	894795	546976	1441771	7.34	1011367	510588	1521955	7.75	0.41
Trusts	0	0	0	0	0	0	0	0	0
Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	150257	150257	0.77	5512	94032	99544	0.51	(0.26)
Sub-total (B)(2):-	8806334	1065744	9872078	50.28	8900547	972531	9873078	50.29	0.01
Total Public Shareholding (B)=(B)(1)+ (B)(2)	8806334	1065744	9872078	50.28	8900547	972531	9873078	50.29	0.01
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
D. Employee Benefit trust (Non promoter – Non public)	549244	0	549244	2.80	548244	0	548244	2.79	(0.01)
Grand Total (A+B+C+D)	18565271	1065744	19631015	100	18658484	972531	19631015	100	0

*Shares have been categorized / re-grouped wherever necessary.

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Cloud Computing LLC	9209693	46.91	0.00	9209693	46.91	0.00	Nil

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Cloud Computing LLC At the beginning of the year	9209693	46.91	9209693	46.91
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	Nil	Nil	Nil	Nil
3	At the end of the year	9209693	46.91	9209693	46.91

(iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SmartShift AG; At the beginning of the year Sold Shares – 24.03.2017 At the end of the year	2056600 (26000) 2030600	10.48 (0.13) 10.34	2056600 2030600 2030600	10.48 10.34 10.34
2	Sarosh Kersie Waghmar; At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	630160 0 630160	3.21 0 3.21	630160 0 630160	3.21 0 3.21
3	Raymond J Lane; At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	500000 0 500000	2.55 0 2.55	500000 0 500000	2.55 0 2.55
4	Suresh Gadaley At the beginning of the year Purchased - 29.04.2016 Purchased - 13.05.2016 Purchased - 20.05.2016 Sold – 03.06.2016 Purchased – 10.06.2016 Purchased – 02.09.2016 Sold – 20.01.2017 At the end of the year	432834 1000 3000 3000 (2000) 2000 2000 (3000) 438834	2.20 0.01 0.02 0.02 0.01 0.01 0.01 0.02 2.24	432834 433834 436834 439834 437834 439834 441834 438834 438834	2.20 2.21 2.23 2.24 2.23 2.24 2.25 2.24 2.24

5	Devinder Prakash Kalra At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	393000 0 393000	2.00 0 2.00	393000 0 393000	2.00 0 2.00
6	DRR Swaroop - Trustee At the beginning of the year Transfers of shares on account of ESOP Exercise- 15.06.2016 At the end of the year	322244 (1000) 321244	1.64 0.01 1.64	322244 321244 321244	1.64 1.64 1.64
7	OurVox Holdings LLC At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	309920 0 309920	1.58 0 1.58	309920 0 309920	1.58 0 1.58
8	Mukul Mahavirprasad Agrawal At the beginning of the year Purchased: 12.08.2016 19.08.2016 26.08.2016 02.09.2016 At the end of the year	303259 86125 8241 12375 40000 450000	1.54 0.44 0.04 0.06 0.20 2.29	303259 389384 397625 410000 450000 450000	1.54 1.98 2.03 2.09 2.29 2.29
9	Kanchan Sunil Singhania At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	285000 0 285000	1.45 0 1.45	285000 0 285000	1.45 0 1.45
10	Purushothaman Vinayakam -Trustee At the beginning of the year Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	227000 0 227000	1.16 0 1.16	227000 0 227000	1.16 0 1.16
11	Kamal Gadabay At the beginning of the year Purchased – 29.04.2016 Sold – 30.06.2016 Sold – 20.01.2017 At the end of the year	211468 1000 (1) (5500) 206967	1.07 0.01 (0.00) (0.03) 1.05	211468 212468 212467 206967 206967	1.07 1.08 1.08 1.05 1.05
12	Master Capital Services Limited At the beginning of the year Purchased – 01.04.2016 Sold –08.04.2016 Purchased –29.04.2016 Purchased – 06.05.2016 Sold –20.05.2016 Purchased –27.05.2016 Sold –03.06.2016 Sold –10.06.2016 Sold –17.06.2016 Sold – 24.06.2016	139635 50 (3009) 966 450 (3000) 80 (1050) (2710) (101) (2000)	0.71 0.00 0.02 0.00 0.00 (0.02) 0.00 0.01 0.01 0.00 0.01	139635 139685 136676 137642 138092 135092 135172 134122 131412 131311 129311	0.71 0.71 0.70 0.70 0.70 0.69 0.69 0.68 0.67 0.67 0.66

	Sold -30.06.2016	(2000)	0.01	127311	0.65
	Sold -15.07.2016	(8600)	0.04	118711	0.60
	Sold -22.07.2016	(9696)	0.05	109015	0.56
	Sold -29.07.2016	(250)	0.00	108765	0.55
	Sold -05.08.2016	(100)	0.00	108665	0.55
	Sold -12.08.2016	(9650)	0.05	99015	0.50
	Sold -19.08.2016	(4550)	0.02	94465	0.48
	Purchased -26.08.2016	3559	0.02	98024	0.50
	Sold -02.09.2016	(6825)	0.03	91199	0.46
	Purchased-09.09.2016	150	0.00	91349	0.46
	Purchased - 16.09.2016	1400	0.01	92749	0.47
	Sold -24.09.2016	(1950)	0.01	90799	0.46
	Sold - 30.09.2016	(2390)	0.01	88409	0.45
	Sold -07.10.2016	(990)	0.00	87419	0.45
	Purchased-14.10.2016	100	0.00	87519	0.45
	Sold -21.10.2016	(510)	0.00	87009	0.44
	Sold -04.11.2016	(3500)	0.02	83509	0.43
	Sold-11.11.2016	(1250)	0.01	82259	0.42
	Purchased-25.11.2016	3919	0.02	86178	0.44
	Purchased-02.12.2016	2718	0.01	88959	0.45
	Sold -09.12.2016	(5057)	0.03	83902	0.43
	Sold-16.12.2016	(2952)	0.02	80950	0.41
	Purchased-23.12.2016	150	0.00	81100	0.41
	Purchased - 06.01.2017	625	0.00	81675	0.42
	Purchased - 13.01.2017	100	0.00	81775	0.42
	Purchased - 20.01.2017	209	0.00	81984	0.42
	Purchased - 27.01.2017	100	0.00	82084	0.42
	Sold -17.02.2017	(9725)	0.05	72359	0.37
	Purchased - 24.02.2017	400	0.00	72759	0.37
	Sold - 03.03.2017	(400)	0.00	72359	0.37
	Purchased - 17.03.2017	63	0.00	72422	0.37
	At the end of the year	72422	0.37	72422	0.37
13	Anuradha Kalra				
	At the beginning of the year	126000	0.64	126000	0.64
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	126000	0.64	126000	0.64

Note:

1. The names of top ten shareholders are based on 31.03.2016 Benpos Data. Ms. Anuradha Kalra is amongst the top shareholders as on 31.03.2017 Benpos Data.
2. Dates of Purchase and sale in the above table are the dates of the weekly Benpos, in which the change of shareholding is reflected.
3. Shares in the name of Mr. DRR Swaroop – Trustee & Mr. Purushothaman Vinayakam – Trustee are shares of Employee Benefit Trust i.e., Non – Promoter & Non – Public Shareholding.

(v) Shareholding of Directors and Key Managerial Personnel:

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Dharani Raghurama Swaroop (Whole – Time Director)				
	At the beginning of the year	88000	0.45	88000	0.45
	Purchased–13.05.2016	600	0.00	88600	0.45
	Sold – 03.06.2016	(500)	(0.00)	88100	0.45
	Purchased–24.06.2016	400	0.00	88500	0.45
	Sold –30.06.2016	(350)	(0.00)	88150	0.45
	Sold –01.07.2016	(800)	(0.00)	87350	0.44
	Sold – 08.07.2016	(800)	(0.00)	86550	0.44
	Sold – 15.07.2016	(1340)	(0.01)	85210	0.43
	Sold –29.07.2016	(3880)	(0.02)	81330	0.41
	Sold –05.08.2016	(10000)	(0.05)	71330	0.36
	Sold –12.08.2016	(980)	(0.00)	70350	0.36
	Sold –19.08.2016	(490)	(0.00)	69860	0.36
	Sold – 02.09.2016	(980)	(0.00)	68880	0.35
	Sold – 09.09.2016	(296)	(0.00)	68584	0.35
	Sold – 16.09.2016	(490)	(0.00)	68094	0.35
	Sold – 24.09.2016	(980)	(0.00)	67114	0.34
	Sold – 07.10.2016	(2450)	(0.01)	64664	0.33
	Sold – 14.10.2016	(980)	(0.00)	63684	0.32
	Sold – 21.10.2016	(2970)	(0.02)	60714	0.31
	Sold – 25.11.2016	(6790)	(0.03)	53924	0.27
	Sold – 02.12.2016	(421)	(0.00)	53503	0.27
	Sold – 09.12.2016	(8211)	(0.04)	45292	0.23
	Sold – 31.12.2016	(3470)	(0.02)	41822	0.21
	Sold – 10.02.2017	(4980)	(0.03)	36792	0.19
	Sold – 24.02.2017	(2490)	(0.01)	34302	0.17
	Sold – 03.03.2017	(1000)	(0.01)	33302	0.17
	Sold – 10.03.2017	(3437)	(0.02)	29865	0.15
	Sold – 17.03.2017	(5989)	(0.03)	23876	0.12
	Sold – 24.03.2017	(950)	(0.00)	22926	0.12
	At the end of the year	22926	0.12	22926	0.12
2	B Muralidhar (Independent Director)				
	At the beginning of the year	288	0.001	288	0.001
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	288	0.001	288	0.001
3	T V Siva Prasad				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

Note:

- Dates of Purchase and sale in the above table are the dates of the weekly Benpos, in which the change of shareholding is reflected.
- The Directors other than the above have no shareholding in the Company.

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
Addition	1,44,01,167	NIL	NIL	1,44,01,167
Reduction	NIL	NIL	NIL	NIL
Net Change	1,44,01,167	NIL	NIL	1,44,01,167
Indebtedness at the end of the financial year				
i) Principal Amount	1,44,01,167	NIL	NIL	1,44,01,167
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	1,44,01,167	NIL	NIL	1,44,01,167

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(INR)

S.No.	Particulars of Remuneration	Name of WTD Dharani Raghurama Swaroop	Total Amount
1	Gross salary	20,00,000	20,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,33,334	3,33,334
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option*	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission- as % of profit- Others, specify...	NIL	NIL
5	Others, please specify Leave Encashment	1,66,667	1,66,667
	Total (A)	25,00,001	25,00,001
Ceiling as per the Act		INR 60,00,000 .The remuneration is paid as per Section 197 read with Schedule V of the Companies Act, 2013	

* During FY 2015 – 16, Mr. Dharani Raghurama Swaroop has been granted 20,000 stock options at an exercise price of Rs. 38/- with a vesting period of three years from the date of grant.

Note: Mr. Aashish Kalra, Chairman & CEO, a Whole – time Director of the Company does not draw any remuneration from the Company, but he received INR 51,99,475 as remuneration from Cambridge Technology Inc., USA, a wholly owned subsidiary company.

B. Remuneration to other directors

Other Directors are NOT paid remuneration except the Sitting Fees.

(INR)

S. No	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Venkat Motaparthi	Mrs. K. Jayalakshmi Kumari	Mr. B. Muraidhar	Mr. Stefan Hetges	
	Independent Directors					
	• Fee for attending board / committee meetings	1,10,000	60,000	1,10,000	-	2,80,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	1,10,000	60,000	1,10,000	-	2,80,000
	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1+2)	1,10,000	60,000	1,10,000	-	2,80,000
Total Managerial Remuneration		27,80,001				
Overall Ceiling as per the Act		The remuneration to each MD/Whole – time Director that can be paid is Rs. 60,00,000. This is pursuant to Section 197 read with Schedule V of the Companies Act, 2013. Other Directors are paid only Sitting fees.				

Note: The Directors mentioned in the above table are Independent Directors except for Mr. Stefan Hetges who is a Non – Executive & Non – Independent Director.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(INR)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary & CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	19,97,834	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		
2	Stock Option**	-		
3	Sweat Equity	-		
4	Commission	-		
	- as % of profit	-		
	others, specify...	-		
5	Others, please specify Contribution to Provident fund	-	21,600	
	Total	0.00	20,19,434	

* Mr. T V Siva Prasad was appointed as Company Secretary & CFO.

**During FY 2015 – 16, Mr. T V Siva Prasad has been granted 1,000 stock options at an exercise price of Rs. 38/- & 2,500 stock options at an exercise price of Rs. 80/- with a vesting period of three years from the date of grant.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

The following are the details of penalties/punishment/compounding of offences for the year 2016-17 :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any
A. Company					
Penalty	Not Applicable				
Punishment	Not Applicable				
Compounding	Section 621A r/w Section 193(1) of Companies Act 1956	Minutes of the Board of Director's from 01.01.2004 to 19.04.2010 were not consecutively numbered.	Rs. 500/-	RD(Order No. 9/ 216/Telangana/ RD (SER)/ 441 / 2016/1829)	No
	Section 621A r/w Section 217 (2AA) of Companies Act 1956	Board's Report dated 31/07/2007, 22/09/2008 & 28/08/2009 were not in tune with the provisions of Section 217 (2AA) of the Companies Act, 1956	Rs. 20,000/-	NCLT(Order No. CA No.59/ 621A/ HDB/ 2016 dated 21.12.2016	No
	Section 621A r/w Section 211, Schedule VI, Part I of Companies Act 1956	In Annual Report for the financial year ended 31.03.2007, 31.03.2008 & 31.03.2009, details of Sundry Debtors were not furnished as per the provisions of Section 211 read with Schedule VI, Part I of Companies Act 1956	Rs. 10,000/-	NCLT(Order No. CA No.60/ 621A/ HDB/ 2016 dated 20.01.2017	No
	Section 621A r/w Section 211 (3A)(3C), of Companies Act 1956	In Annual Report for the financial year ended 31.03.2007, 31.03.2008 & 31.03.2009, the Company did not disclose the information relating to intangible assets as per Para 90 of the Accounting Standard 26	Rs. 10,000/-	NCLT(Order No. CA No.61/ 621A/ HDB/ 2016 dated 20.01.2017	No
	Section 621A r/w Section 211, Schedule VI, Part I of Companies Act 1956	In Annual Report for the financial year ended 31.03.2007, 31.03.2008 & 31.03.2009, details of loans and advances were not furnished as per the provisions of Section 211 read with Schedule VI, Part I of Companies Act 1956	Rs. 10,000/-	NCLT(Order No. CA No.62/ 621A/ HDB/ 2016 dated 20.01.2017	No
	Section 621A r/w Section 211 (3A)(3C), of Companies Act 1956 r/w Para 11 of AS 9	Company accounted Rs. 99,92,500/- towards unbilled revenue as at 31.03.2008 without transfer of property in goods to the buyer as stated in Para 11 of AS 9 (Revenue Recognition).	Rs. 10,000/-	NCLT(Order No. CA No.63/ 621A/ HDB/ 2016 dated 20.01.2017	No

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any
	Section 621A r/w Section 211 (3A)/ (3C), of Companies Act 1956 r/w AS 20	In Annual Report for the financial year ended 31.03.2007, the Company did not disclose information relating to the "diluted earnings per share" on the face of the statement of profit and loss account as stated in Para 8 of AS 20.	Rs. 10,000/-	NCLT (Order No. CA No.64/ 621A/ HDB/ 2016 dated 20.01.2017)	No
	Section 621A r/w Section 211 (3A)/ (3C), of Companies Act 1956 r/w AS 13	In annual report for the financial years 31.03.2007, 31.03.2008 & 31.03.2009, the Company has made huge investments in its subsidiary companies of Rs. 17,57,23,191, Rs. 28,87,13,830 & Rs. 46,36,04,234, but the company has not disclosed the dividends received from subsidiary companies as explained in provisions of Section 211 (3A)/ (3C), of Companies Act 1956 r/w AS 13	Rs. 10,000/-	NCLT (Order No. CA No.65/ 621A/ HDB/ 2016 dated 24.03.2017)	No
	Section 621A r/w Section 217(3) of Companies Act 1956	In Board's Report dated 22.09.2008 for the financial year ended dated 31.03.2008, the Company has not furnished fullest information and explanations in its Board's Report for the reservation, qualification or adverse remark of the Statutory Auditors.	Rs. 2,000/-	NCLT (Order No. CA No.66/ 621A/ HDB/ 2016 dated 20.01.2017)	No
B. Directors					
Penalty	Not Applicable				
Punishment	Not Applicable				
Compounding	Section 621A r/w Section 193(1) of Companies Act 1956	Minutes of the Board of Director's from 01.01.2004 to 19.04.2010 were not consecutively numbered.	Rs. 500/-	RD (Order No. 9/ 216/Telangana/ RD (SER)/ 441 / 2016/1829)	No
	Section 621A r/w Section 217 (2AA) of Companies Act 1956	Board's Report dated 31/07/2007, 22/09/2008 & 28/08/2009 were not in tune with the provisions of Section 217 (2AA) of the Companies Act, 1956	Rs. 20,000/- each*	NCLT (Order No. CA No.59/ 621A/ HDB/ 2016 dated 21.12.2016)	No

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any
	Section 621A r/w Section 211, Schedule VI, Part I of Companies Act 1956	In Annual Report for the financial year ended 31.03.2007, 31.03.2008 & 31.03.2009, details of Sundry Debtors were not furnished as per the provisions of Section 211 read with Schedule VI, Part I of Companies Act 1956	Rs. 10,000/- each*	NCLT (Order No. CA No.60/ 621A/ HDB/ 2016 dated 20.01.2017)	No
	Section 621A r/w Section 211 (3A)(3C), of Companies Act 1956	In Annual Report for the financial year ended 31.03.2007, 31.03.2008 & 31.03.2009, the Company did not disclose the information relating to intangible assets as per Para 90 of the Accounting Standard 26	Rs. 10,000/- each*	NCLT (Order No. CA No.61/ 621A/ HDB/ 2016 dated 20.01.2017)	No
	Section 621A r/w Section 211, Schedule VI, Part I of Companies Act 1956	In Annual Report for the financial year ended 31.03.2007, 31.03.2008 & 31.03.2009, details of loans and advances were not furnished as per the provisions of Section 211 read with Schedule VI, Part I of Companies Act 1956	Rs. 10,000/- each*	NCLT (Order No. CA No.62/ 621A/ HDB/ 2016 dated 20.01.2017)	No
	Section 621A r/w Section 211 (3A)/ (3C), of Companies Act 1956 r/w Para 11 of AS 9	Company accounted Rs. 99,92,500/- towards unbilled revenue as at 31.03.2008 without transfer of property in goods to the buyer as stated in Para 11 of AS 9 (Revenue Recognition).	Rs. 10,000/- each*	NCLT (Order No. CA No.63/ 621A/ HDB/ 2016 dated 20.01.2017)	No
	Section 621A r/w Section 211 (3A)/ (3C), of Companies Act 1956 r/w AS 20	In Annual Report for the financial year ended 31.03.2007, the Company did not disclose information relating to the "diluted earnings per share" on the face of the statement of profit and loss account as stated in Para 8 of AS 20.	Rs. 10,000/- each*	NCLT (Order No. CA No.64/ 621A/ HDB/ 2016 dated 20.01.2017)	No
	Section 621A r/w Section 211 (3A)/ (3C), of Companies Act 1956 r/w AS 13	In annual report for the financial years 31.03.2007, 31.03.2008 & 31.03.2009, the Company has made huge investments in its subsidiary companies of Rs. 17,57,23,191, Rs. 28,87,13,830 & Rs. 46,36,04,234, but the company has not disclosed the dividends received from subsidiary companies as explained in provisions of Section 211 (3A)/(3C), of Companies Act 1956 r/w AS 13	Rs. 10,000/- each*	NCLT (Order No. CA No.65/ 621A/ HDB/ 2016 dated 24.03.2017)	No

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any
	Section 621A r/w Section 217(3) of Companies Act 1956	In Board's Report dated 22.09.2008 for the financial year ended dated 31.03.2008, the Company has not furnished fullest information and explanations in its Board's Report for the reservation, qualification or adverse remark of the Statutory Auditors.	Rs. 2,000/- each*	NCLT (Order No. CA No.66/ 621A/ HDB/ 2016 dated 20.01.2017)	No
C. Other officers in default					
Penalty	Not Applicable				
Punishment	Not Applicable				
Compounding	Section 621A r/w Section 193(1) of Companies Act 1956	Minutes of the Board of Director's from 01.01.2004 to 19.04.2010 were not consecutively numbered.	Rs. 500/-**	RD (Order No. 9/ 216/Telangana/ RD (SER)/ 441 / 2016/1829)	No
	Section 621A r/w Section 217(2AA) of Companies Act 1956	Board's Report dated 31/07/2007, 22/09/2008 & 28/08/2009 were not in tune with the provisions of Section 217 (2AA) of the Companies Act, 1956	Rs. 20,000/-**	NCLT (Order No. CA No.59/ 621A/ HDB/ 2016 dated 21.12.2016)	No
	Section 621A r/w Section 211, Schedule VI, Part I of Companies Act 1956	In Annual Report for the financial year ended 31.03.2007, 31.03.2008 & 31.03.2009, details of Sundry Debtors were not furnished as per the provisions of Section 211 read with Schedule VI, Part I of Companies Act 1956	Rs. 10,000/-**	NCLT (Order No. CA No.60/ 621A/ HDB/ 2016 dated 20.01.2017)	No
	Section 621A r/w Section 211 (3A)(3C), of Companies Act 1956	In Annual Report for the financial year ended 31.03.2007, 31.03.2008 & 31.03.2009, the Company did not disclose the information relating to intangible assets as per Para 90 of the Accounting Standard 26	Rs. 10,000/-**	NCLT (Order No. CA No.61/ 621A/ HDB/ 2016 dated 20.01.2017)	No
	Section 621A r/w Section 211, Schedule VI, Part I of Companies Act 1956	In Annual Report for the financial year ended 31.03.2007, 31.03.2008 & 31.03.2009, details of loans and advances were not furnished as per the provisions of Section 211 read with Schedule VI, Part I of Companies Act 1956	Rs. 10,000/-**	NCLT (Order No. CA No.62/ 621A/ HDB/ 2016 dated 20.01.2017)	No

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any
	Section 621A r/w Section 211 (3A)(3C), of Companies Act 1956 r/w Para 11 of AS 9	Company accounted Rs. 99,92,500/- towards unbilled revenue as at 31.03.2008 without transfer of property in goods to the buyer as stated in Para 11 of AS 9 (Revenue Recognition).	Rs. 10,000/-**	NCLT (Order No. CA No.63/ 621A/ HDB/ 2016 dated 20.01.2017	No
	Section 621A r/w Section 211 (3A)/ (3C), of Companies Act 1956 r/w AS 20	In Annual Report for the financial year ended 31.03.2007, the Company did not disclose information relating to the "diluted earnings per share" on the face of the statement of profit and loss account as stated in Para 8 of AS 20.	Rs. 10,000/-**	NCLT (Order No. CA No.64/ 621A/ HDB/ 2016 dated 20.01.2017	No
	Section 621A r/w Section 211 (3A)/ (3C), of Companies Act 1956 r/w AS 13	In annual report for the financial years 31.03.2007, 31.03.2008 & 31.03.2009, the Company has made huge investments in its subsidiary companies of Rs. 17,57,23,191, Rs. 28,87,13,830 & Rs. 46,36,04,234, but the company has not disclosed the dividends received from subsidiary companies as explained in provisions of Section 211 (3A)/(3C), of Companies Act 1956 r/w AS 13	Rs. 10,000/-**	NCLT (Order No. CA No.65/ 621A/ HDB/ 2016 dated 24.03.2017	No
	Section 621A r/w Section 217(3) of Companies Act 1956	In Board's Report dated 22.09.2008 for the financial year ended dated 31.03.2008, the Company has not furnished fullest information and explanations in its Board's Report for the reservation, qualification or adverse remark of the Statutory Auditors.	Rs. 2,000/-**	NCLT (Order No. CA No.66/ 621A/ HDB/ 2016 dated 20.01.2017	No

Note:

- *The amount stated is with respect to each Director, the Directors being Mr. Stefan Hetges, Whole – time Director, Mr. Motaparthi Venkateswara Rao Kasi, Director & Mr. Mallipudi Anand Pattabhiram kumar, Director.
- ** The amount stated is with respect to Mr. Venna Ramana Reddy, Company Secretary.
- All the Compounding applications were filed suo-moto by praying the Tribunal to allow them to compound the offences.
- The applicant submitted that the offence committed by the applicant company was not intentional and the same was not of such nature as to prejudice the interest of the members or other creditors or others dealing with the Company.

For or on behalf of the Board of Directors

Hyderabad
August 24, 2017

Aashish Kalra
Chairman & CEO
(DIN: 01878010)

Annexure 4

A.Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment & Remuneration) of Managerial Personnel) Rules, 2014

- (i) Ratio of remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2016-17, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2016-17.

Sl No	Name of Director/KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in remuneration
1	Mr.AashishKalra	Chairman & CEO (Whole – time Director)	Nil	Nil
2	Mr.DharaniRaghuramaSwaroop	Whole-Time Director	6.00:1	Nil
3	Mr.VenkatMotaparthi	Independent Director	0.26:1	-45%
4	Mr. B. Muralidhar	Independent Director	0.26:1	-42%
5	Mrs. K. Jayalakshmi Kumari	Independent Director	0.14:1	-45%
6	Stefan Hetges	Non – Executive Director	Nil	Nil
7	T V Siva Prasad	CFO & Company Secretary	Not Applicable	13%

Note:

- The Non – Executive / Independent Directors are paid only sitting fees for attending meetings of Board and / or Committees.
- Mr. Aashish Kalra, Chairman & CEO, Whole – time Director does not draw any remuneration from the Company.
 - The percentage change in the Median remuneration of employees in the financial year 2016 – 17 was (-7) %.
 - The Company has 299 permanent employees on the rolls of the Company as on March 31, 2017.
 - Average percentage increase made in the salaries of the employees other than the Managerial personnel in the financial year was 13.82% whereas increase in the remuneration of managerial personnel was 13%.
There are no other exceptional circumstances for increase in the remuneration of key managerial personnel and increase in remuneration has been in accordance with the Company's policies. The increment given to each individual employee is based on the employees' potential, their performance, their contribution to the Company's progress over a period of time, superior business performance, etc.
 - Key parameters for any variable component of remuneration availed by the Directors: Not Applicable.
 - It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy.

B. Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**Top Ten Employees in terms of remuneration drawn:**

Name	Designation & Nature of Employment (contractual or otherwise)	Remuneration (INR)	Qualifications	Experience (in years)	Date of joining	Age (years)	Particulars of last employment
Padmanava Debnath	Senior Architect – Technology & permanent	37,57,600	M.Sc. Applied Geology	18.33	17-Apr-03	42	Cysphere.com
Radha Raghupathy	Director – BPO & permanent	32,99,300	B.Sc	17.27	5-May-15	47	AzurInfotech
Riaz Mohammad	Director – Delivery & permanent	32,56,700	B.E. Mechanical	17.80	28-Apr-03	43	Pipal Solutions I Pvt Ltd
Biswajit Sinha	Senior Cloud Architect & permanent	2,725,800	B.Tech	12.90	20-Aug-15	34	smartShift Technologies
Mr. Dharani Raghurama Swaroop	Whole-time Director & permanent	25,00,001	Degree in Electronical Engineering	31.00	29-Jan-1999	58	Not Applicable
Md Shakeel Ahmed	Head CLOC Operations & permanent	22,74,000	Diploma in electrical & electronics	14.32	19-Apr-07	36	Compugra
Vamsi Mohan Rambabu Rampalli	Senior Manager - Cloud Services & permanent	22,69,300	MBA	22.71	26-Nov-07	46	Four Soft Limited
Venkata Siva Prasad Tumuluri	Chief Financial Officer and Company Secretary & permanent	22,04,000	CA, CS & Executive PG Diploma in Management	14.90	1-Jul-15	39	Wealth Tree Advisors Pvt.Ltd
Arun Nayak	National Manager - Sales & permanent	21,78,400	MBA	17.62	1-Jan-00	39	Not Applicable
Adil Basha	Architect - Cloud Operations & permanent	21,00,000	Bachelor of Commerce	14.90	5-Oct-15	41	CAIpion Software Technologies Pvt Ltd

Note:

1. There are no employees who were in receipt of remuneration in excess of INR 1 crore and 2 lakhs who were employed throughout the financial year.
2. There are no employees who were in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was in excess of INR 8,50,000 per month.
3. No employee as stated above is a relative of any director of the company.

For or on behalf of the Board of Directors

Hyderabad
August 24, 2017

Aashish Kalra
Chairman & CEO
(DIN: 01878010)

Annexure 5

Details of status of Employee Stock Option Scheme for the year 2016 - 17:

S. No.	Particulars	CTEL Employee Stock Option Scheme – 2006	CTEL Employee Stock Option Scheme - 2008	CTE ESOP Scheme 2011	ESOS - 2015
1	Options Granted	Nil	Nil	Nil	Nil
2	Options vested	Nil	Nil	Nil	Nil
3	Options exercised	Nil	10,000	Nil	Nil
4	Total Number of shares arising as a result of exercise of options	Nil	10,000	Nil	Nil
The above shares resulting from the exercise of ESOPs are transferred to Employees from the ESOP Trust. The shares are already existing with the trust formed for ESOPs.					
5	Options lapsed	Nil	Nil	Nil	Nil
6	Exercise Price	Rs. 20/-	The Exercise Price shall mean Market Price less discount as may be decided by the Committee, subject to maximum discount of 20%. Subject to the condition that the exercise price will not be less than the face value of the share under any circumstances	The Exercise Price shall mean the latest available closing price, prior to the date of the meeting of the Committee, in which options are granted, on the stock exchange on which the shares of the company are listed less discount as may be decided by the Committee, subject to maximum discount of 20%.	The exercise price shall be market price as defined in the Scheme less discount as may be decided by the ESOP Committee/ Compensation Committee/ Nomination and Remuneration Committee from time to time at its own discretion subject to maximum discount of 20%.
7	Variation in terms of options / material change in the schemes	There were no variations in terms of options / material changes during the year			
8	Money realized by exercise of options (Rs)	The money is not realized directly by the Company. The ESOP schemes are being implemented through trust formed for the same.			
9	Total number of options in force	Nil	1,000	2,37,100	1,53,500
10	Employee - wise details of options granted to:				
	i. Key Managerial Personnel	Nil	Nil	1. Mr. Dharani Raghurama Swaroop, Whole-time Director – 20,000 options granted during the year 2015 - 16 2. Mr. T V Siva Prasad, CFO & Company Secretary – 1,000 options granted during the year 2015 - 16	1. Mr. T V Siva Prasad, CFO & Company Secretary – 2,500 options granted during the year 2015 - 16
	ii. Any other employee who received a grant in any one year of options amounting to 5% or more options granted during the year	Not Applicable			
	iii. Identified employees who were granted options during any one year equal to or exceeding 1% of issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Not Applicable			

For or on behalf of the Board of Directors

Hyderabad
August 24, 2017Aashish Kalra
Chairman & CEO
(DIN: 01878010)

Annexure 6

COMPLIANCE CERTIFICATE

(Regulation 17(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

To
The Board of Directors
Cambridge Technology Enterprises Limited
Regd. Office: Unit No. 04-03, Block 1,
Cyber Pearl, Hitec City,
Madhapur, Hyderabad - 500081

We Aashish Kalra, Chairman & Chief Executive Officer & and T V Siva Prasad, Chief Financial Officer & Company Secretary of the Company certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have been taken or proposed to take to rectify these deficiencies.
- d) We have indicated to auditors and the audit committee that-
- (i) there are no significant changes in the internal control over financial reporting during the year;
 - (ii) there are no significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (iii) we are not aware of any instance of significant fraud and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
T V Siva Prasad
Chief Financial Officer &
Company Secretary

Sd/-
Aashish Kalra
Chairman & Chief Executive Officer
DIN: 01878010

Annexure 7**Disclosure of particulars of Contract / Arrangements entered into by the Company****Form No. AOC – 2****(Pursuant to Section 134(3) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014)**

1. There are no contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.
2. Contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arm's length basis:

Details of material contracts or arrangement or transactions at arm's length basis:

S No	Names of Related Party	Nature of Relationship	Nature of contract	Duration of the contract	Salient terms of the contract or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Cambridge Technology Inc, USA	Wholly Owned Subsidiary	Services	01.01.2017 - ongoing	As per transfer pricing guidelines. The transaction is at arm's length price. The Export Revenue from Cambridge Technology Inc, USA is INR 32,35,57,132/-	Not Applicable. But the approval for the transaction with the said party is obtained, as required from time to time.	Nil

For or on behalf of the Board of Directors

Hyderabad
August 24, 2017

Aashish Kalra
Chairman & CEO
(DIN: 01878010)

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of M/s. Cambridge Technology Enterprises Limited

I have examined the compliance of conditions of Corporate Governance by Cambridge Technology Enterprises Limited ('the Company'), for the year ended 31 March 2017, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Regulations, as applicable.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad

Date: 24.08.2017

Sd/-

B. Krishnaveni

Company Secretary in Practice

CP No. 4286



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

THE WORLD IS TRANSFORMING

The world is transforming and we are in the middle of the single largest transformation the world has even seen since the Industrial Revolution nearly 250 years ago. Big Data powered by Artificial Intelligence (AI) and Machine Learning is the next natural resource, like air, oil, water, and the convergence of Big Data and Cloud with AI and Machine Learning is a potential multi-trillion-dollar opportunity.

AI is transforming the way businesses are defined, designed and delivered and enterprise value is captured. The trend is accelerating as a recent research from Gartner estimates that customers will be able to manage 85 percent of the interactions with an enterprise without human intervention by 2020. In the years to come, enterprises will adopt a differentiated IT strategy by implementing AI and exploring the potential of Big Data.

TOP STRATEGIC IT INDUSTRY FORECASTS

- According to a new research by Salesforce 'State of the Connected Customer', 57 percent of consumers expect voice-activated smart assistants to have a major or moderate impact on their daily lives by 2020.
- Gartner predicts that 30% of all companies will employ AI to augment at least one of their primary sales processes by 2020.
- According to Gartner, 20% of companies will dedicate workers to monitor and guide neural networks by 2020.
- As per McKinsey, the total annual external investment in AI was between \$8B-\$12B in 2016, with ML attracting nearly 60% of that investment.
- IBM Watson forecasts a \$2 trillion opportunity in the ML market over the next decade.
- IDC estimates that by 2020, transactions on the internet will reach 450 billion per day and enterprise-generated content will exceed 240 exabytes i.e. 240 billion gigabytes daily.
- A survey by Veritas states that over 70 percent of enterprises has the opinion that cloud is no more 'optional' for companies to remain competitive.
- According to IDC, 60 percent of ML will run on Amazon, Google, IBM, or Microsoft by 2020.

ARTIFICIAL INTELLIGENCE

IDC predicts that the Cognitive Systems and AI market will grow from \$8 Billion in 2016 to \$47 Billion in 2020. Forrester predicts a 300% increase in AI investments in 2017 compared to 2016.

"We are entering a new world. The technologies of machine learning, speech recognition, and natural language understanding are reaching a nexus of capability."

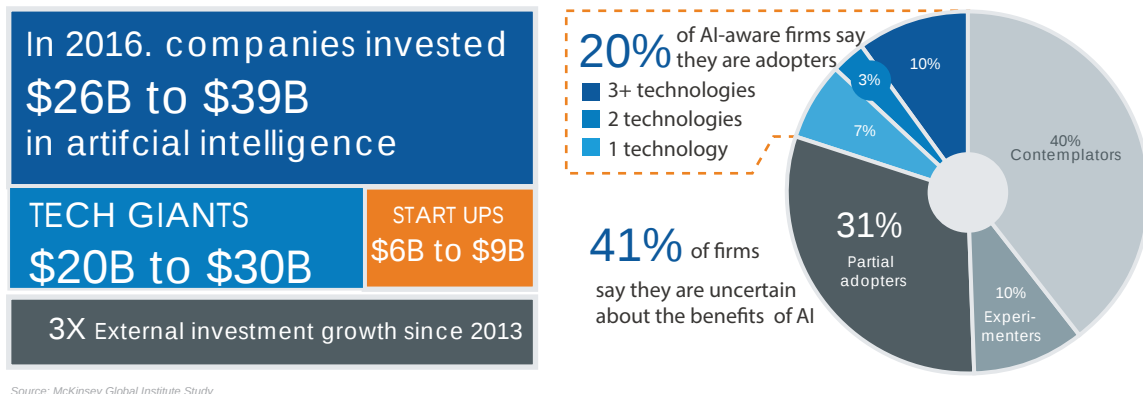
—Amy Stapleton, Independent Industry Analyst | Opus Research

Information and communications, Manufacturing and Financial Services are the early adopters of AI and will see the highest growth rates driven by AI in 2035. (Source – McKinsey and Accenture Research).

AI can make immediate contributions towards critical business decisions leading to increased profitability for the organizations. Some of the areas where the impact of AI can be felt almost immediately are supply chain management, forecasting, inventory optimization and production scheduling in Manufacturing, improving efficiencies by reducing the errors in repetitive, manual tasks including credit scoring and first-level customer inquiries for financial services. AI drives significant cost, time and process-related savings rapidly for all the industries. Availability of high-speed bandwidth, computing resources and growth in Big Data are the three key drivers for Artificial Intelligence and will continue to fuel AI implementation by enterprises for long term benefits.

The current AI wave is poised to finally break through

Investment in AI is growing at a high rate, but adoption in 2017 remains low



Machine Learning

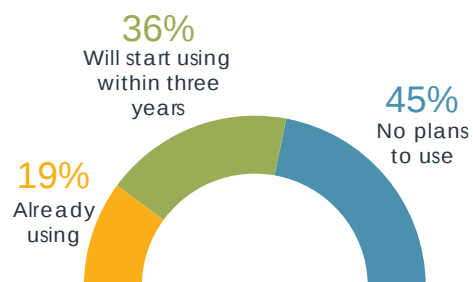
AI is a broad term that encompasses a lot of technologies with different capabilities to support decision making. One such technology is Machine Learning. Machine Learning implementation will grow as Machine Learning as a Service (MLaaS) and is estimated to grow from USD 613.4 Million in 2016 to USD 3,755.0 Million by 2021, at a CAGR of 43.7% from 2016 to 2021.

ML contributions across industries cover range of functions like customer services, sales & marketing, production challenges, data analysis and predictive analysis for decision making. The data rich organizations have a clear advantage because of ML's ability to learn and improve continuously.

Exponential Data Growth in terms of unstructured data and real-time data from IoT networks, and economics of digital storage and cloud computing are growth drivers for ML across industries. According to Gartner, 80% of enterprise data is unstructured and critical for strategic business decisions, further adding to an inevitable need for ML implementation.

Edging Into the Enterprise

The percentage of surveyed organizations using machine learning technologies is expected to nearly triple over the next few years, which would push overall adoption above 50%.



SOURCE: TDWI'S EMERGING TECHNOLOGIES FOR BUSINESS INTELLIGENCE, ANALYTICS, AND DATA WAREHOUSING; BASED ON RESPONSES FROM 344 IT AND BUSINESS PROFESSIONALS

Big Data

IDC estimates that worldwide revenues for Big Data and Business Analytics will grow from \$130 Billion in 2016 to more than \$203 Billion in 2020, at a CAGR of 11.7%. Large companies will be the primary adopters of the Big Data opportunity, expected to generate revenues exceeding \$154 Billion in 2020.

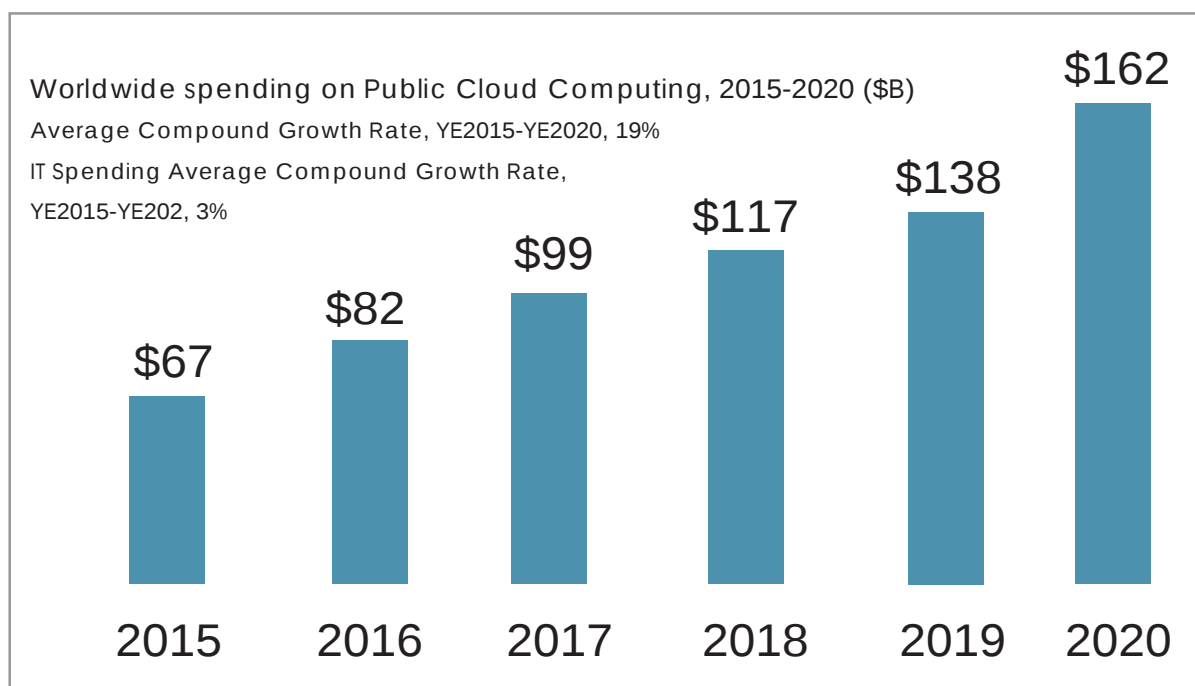
Big Data is making an impact across various business operations like customer sentiment analysis, hyper-personalized customer experiences, reducing churn rate of customers, understanding buying and media preference of customers, and fraud and risk management to mention a few. The major drivers for Big Data are business needs of innovation, potential for new insights and growth of data in various formats with huge potential to contribute to profitability of businesses.

Cloud

As per Gartner, public cloud services market is poised to grow up from \$209.2 Billion in 2016 to \$246.8 Billion in 2017. Infrastructure as a service (IaaS) will continue to drive highest growth and is projected to grow 36.8 percent in 2017 to reach \$34.6 Billion.

SaaS will continue to grow as second largest segment in cloud services market. Cloud services market will experience additional demand to migrate existing in-house infrastructure to the cloud because of Artificial Intelligence and Internet of Things (IoT).

The Rapid Growth of Cloud Computing, 2015-2020



Source: IDC, 2016

THE CONVERGENCE IS REAL NOW

Data is growing faster than ever before. According to Marketing Cloud report by IBM, 90% of the data in the world today has been created in the last two years alone. Today, less than 1% of the world's data is analysed, according to Digital Universe Study. Implementing AI technologies have the ability to harness the full potential of data.

AI and Machine Learning have been discussed for decades but the convergence of Big Data and Cloud with AI and Machine Learning is real now for three reasons:

- a. **Computing power:** Computing resources available today are exceptional. With access to technologies like AWS, Microsoft Azure, computing power is no longer a constraint.
- b. **Bandwidth:** Better availability of high bandwidth has positively impacted accessibility.
- c. **Data:** Access to large volumes of unstructured and structured data is changing the information landscape at our disposal.

THE PARADIGM SHIFT

The last generation of trillion dollars were created out of traditional Indian IT technology businesses that were focused on back-end and costs. The next trillions of dollars will be created by front-end innovation driven technology companies focused on value.

AI is going to transform businesses faster than ever and the first signs of this transformation are seen in sectors like:

Energy: Advances in disruptive technologies will see potential challenges in Energy sector getting resolved. For instance, U.S. Energy Information Administration says that buildings account for 48.7 percent of overall energy consumption, more than any other industry. Powerful computation models built on Big Data and Cloud can help reduce dependency on energy, availability, costs and consumption.

Lifesciences & Pharmaceuticals: The use of transformative technologies to understand the complexities that arise from the combination of a variety of data from areas like clinical research, plants and animal genomics could reveal completely innovative approaches to treatment of diseases.

Data Infrastructure: There is a huge opportunity for Information Management in the areas like Data storage, Fraud Detection and Prevention, Compliance Reporting, Risk Management to name a few.

THE TECHNOLOGICAL DISRUPTION

AI will define industries both new ones and old leveraging Big Data, Cloud and Machine Learning to transform data into a valuable knowledge asset and a catalyst for disruption. Every human life and business in this world will be transformed with this disruption and millions of transformative businesses will be created. The result is a brave new world and a transformation of an old world.

ABOUT CTE

The Opportunity - Discovering AI is the new normal

As the world transforms, businesses are going to end up with 'haves and have-nots' in the AI space. There will be businesses with resources to implement AI solutions and use AI to get to decisions, and there will be businesses standing still in the have-not space. According to a Forrester report "Predictions 2017: Artificial Intelligence Will Drive The Insights Revolution", businesses adopting AI will take revenues worth \$1.2 trillion per annum from their less informed peers by 2020. Discovering the power of AI for your business will be the new normal.

Your company solves the world's complex and most interesting business challenges with AI, transforming organizations into "AI-first" leaders by enabling its customers to create AI solutions that transform their businesses and industries. Your company's products and services address all the transformational AI needs of an organization — from strategic workshops and ready-to-deploy solutions, to implementation of transformative business solutions through its AI as a Service (AlaaS) leveraging Big Data, Cloud & Machine Learning experience.

Integrated Offerings

Businesses need a lot of elements to implement AI. They need an element of Big Data and Cloud which is provided by Cambridge Bigdata where your company serves enterprise clients, then they need the elements of Cambridge Bizserve that allows to manage data, then they need elements of innovation offered by Cambridge Innovations that help businesses leapfrog and most importantly, draw insights to take the decisions, offered by Cambridge DataScience. Your company's offerings fit together because of its understanding towards the entire lifecycle of a business.



Building the Foundation

In 2015, your company envisaged a two-year business plan for 2015-16 and 2016-17 to focus on three areas – building partnerships, acquiring referenceable clients in its chosen verticals and acquiring relevant expertise in technologies. In 2016-17, your company achieved the revenues of INR 100 crores while serving marquee enterprise clients like Schneider Electric, Hill's Pet Nutrition and Iron Mountain. In the last two years, your company has put together the foundation that allows it to be better prepared to take advantage of the market opportunity.

PARTNERSHIPS

Through its partner network, your company gains access to the best technology framework and solutions, strengthening its delivery capabilities.

Amazon Web Services: Your company has developed deep relationship with AWS spanning all disciplines in the organization and has invested consistently in the AWS technology stack. Your company has successfully delivered several projects on AWS's technology, including; Redshift, SaaS applications, Dev/Test and QA environments, Architecture Design and Implementation, BI/BA, S3, Glacier and more. Your company is committed to continue building its AWS relationship and leveraging technology for the benefit of its customers. In 2017, your company has further strengthened its relationship with AWS by achieving Big Data Competency Status, Oracle Enterprise Applications Competency Status, DevOps Competency Status and Managed Service Provider Status.

Atlassian: As an Atlassian Solution Partner, your company will be consulting, implementing and delivering solutions to customers, enabling them to unleash their team's potential. By leveraging products like by JIRA Software, JIRA Service Desk, JIRA Core, Status Page, Confluence, Trello and HipChat, customers are able to quickly collaborate on various issues and experience better project transparency.

Apica: Apica is a leading provider of monitoring and load testing software. Your company's partnership with Apica will assist its customers to determine maximum capacity limits, monitor daily performance, establish performance benchmarks, reduce business risks and optimize infrastructure investments, resulting in lower bounce rates and higher revenues.

CA Technologies: Your company has joined CA Technologies partner program to leverage their broad array of leading edge solutions. Partnering with CA gives its customers access to technology and technology experts that expands and accelerates their technology adoption cycle personalized for their specific needs.

ForgeRock: Your company has joined ForgeRock's partner program to leverage ForgeRock's identity solutions. The partnership provides both existing and new customers with an added array of application migration, development and managed services offerings coupled with ForgeRock's Access Management, Identity Management, Identity Gateway and Directory Services. This will help customers that are looking for end-to-end solutions to take advantage of our full suite of offerings.

Microsoft Azure: Your company provides Microsoft Azure deployment and migration services to help clients reduce cost and rapidly build, deploy and manage applications across a global network of Microsoft-managed data centers. Your company specializes in Cloud Assessment, Cloud Roadmap & Strategy, Cloud Migration and Consulting, Analytics, Big Data on Cloud and IoT.

New Relic: Your company joined the New Relic's partner program in 2014 and has been using New Relic technology since 2013. By incorporating New Relic's solutions, your company benefits from an increased top line and critical product differentiation. Your company includes New Relic's functionality in its offerings to provide monitoring capabilities to a large percentage of its customer base.

Oracle Gold Partner: Your company has obtained Gold Partner status with Oracle making it eligible to develop, sell and implement the full stack of Oracle products and solutions.

Pentaho: Your company has partnered with Pentaho which allows it to apply Pentaho's business intelligence offerings to meet its customer's need for powerful business analytics and data integration. Pentaho, a Hitachi Group company, is a leading data integration and business analytics company with an enterprise-class, open source-based platform for diverse big data deployments.

Rackspace: Your company has joined the Rackspace Partner Network to provide its customers with a portfolio of Hybrid Cloud solutions. Rackspace is a leading provider of hybrid clouds, which enable businesses to run their workloads where they run most effectively – whether on the public cloud, a private cloud, dedicated servers, or a combination of these platforms.

Tableau: Your company has obtained the status of Preferred Alliance Partner with Tableau making it eligible to integrate Tableau's software into its Cloud and Big Data solutions that it deploys to help clients unlock the power of data. The partnership will combine the global talent pool and client reach of your company with Tableau's breakthrough analytics technology.

Focused on verticals: Your company has added a referenceable client in each of its verticals - Energy and Utilities, Life Sciences & Pharmaceuticals, Industrials, BFSI and Data Infrastructure.

Certified Workforce: Your company is one of the few organizations in the world with 100 percent AWS certified Cloud Operations Center with the ability to provide 24/7 management of Public, Hybrid and Private cloud architectures.

Certifications and Accreditations: Your company is appraised at the Level 5 of the CMMI Institute's Capability Maturity Model Integration (CMMI)® v1.3 for its services. This indicates that CTE is operating on highly "Optimized" processes. There are only ~30 companies appraised at this level for services in India. Your company is also certified with ISO 9001:2008, ISO 27001:2005 which affirms that your company is highly committed to business solutions and processes it follows in serving its clients.

Global Presence: In line with providing its global clients access to 24/7 development cycle, your company reinforced its U.S. presence and expanded its offshore delivery centers in India.

VISION 2020

Your company is pleased to announce its Vision 2020. For our Vision 2020, your company will focus on the following:

- a. Organic Growth:** Over the next three years, on an average, your company expects an annual revenue of \$10M approximately from each of its four growth drivers i.e. Cambridge Bigdata, Cambridge Bizserve, Cambridge DataScience and Cambridge Innovations.
- b. Upside from equity:** Your company believes it will take 3-5 years to generate liquidity from its investments.

c. Inorganic Growth: Your company has the potential to explore inorganic growth opportunities.

Your company expects that the above three revenue streams will yield results in the next three years to hopefully achieve \$50M revenues with focus on profitability.

OUTLOOK

Your company gives organizations unparalleled access to cutting-edge technology by bringing together the best-in-industry using its years of expertise in building solutions for some of the world's largest and most innovative enterprises. Your company's expertise across multiple domains makes it the preferred choice for organizations seeking an AI Partner to innovate and leapfrog the market.

THREATS, RISKS & CONCERNS

The potential threats and risks are usually aligned either to change in the external environment such as changes in the technology/customer preferences/business dynamics or finding the right talent and retaining them. Your company is well positioned to minimize the potential identified threats and risks, and the way it does is detailed below:

Changing Technological Trends

With the moving pace of technology and the way these variables change with time, it becomes imperative for the service provider to keep up with the pace and adopt the learning curve. We constantly endeavor to stay ahead of the technology curve by building capabilities to meet the current and future needs of our customers.

Training

At CTE, all employees undergo relevant set of trainings imperative to serve the existing and future business needs. This helps greatly minimize the risk of change of technology.

Attracting and Retaining Talent

Finding the right kind of talent and retaining them could pose a challenge for any business like ours. The dynamic nature of technology, increasing demand from clients, etc., warrants the company to focus on finding the right kind of talent and their retention for its existence and delivering sustainable growth. Hiring the best of the breed talent forms the core belief at CTE.

Exchange rate risk

A substantial part of the CTE's revenues accrues in US dollars, therefore inevitably exposed to fluctuations in exchange rates of foreign currency. Any major change in foreign currency exchange rates will have an impact on the company's earnings.

Competition

The IT Services industry is intensely competitive with local and MNC players having a sizable presence. Competitive pressure could adversely affect pricing strategy for services impacting growth and profitability. Over the years, CTE has developed deep domain knowledge and delivery capabilities with skilled workforce which has made the organization to remain competitive.

FINANCIAL OVERVIEW

CONSOLIDATED FINANCIAL HIGHLIGHTS

Snapshot

(In INR Lakhs)

Year	2016 – 17	2015 – 16	Growth
Revenue	10060.36	6582.49	53%
Total Expenditure	7854.94	5439.60	
EBIDTA	2205.42	1142.89	93%
Tax Expense / (Tax Benefit)	376.17	(251.21)	
Net Profit	1688.30	905.69	86%
Fixed Assets	860.96	1900.45	
Reserves & Surplus	2569.02	1915.82	34%

a. Revenue

Revenue increased by 53% to INR 10060.36 Lakhs for the year ended 31st March, 2017 as compared to INR 6582.49 Lakhs for the same period last year.

b. Net Profit & Reserves and Surplus

Net Profit increased by 86% to INR 1688.30 Lakhs for the year ended 31st March, 2017 as compared to INR 905.69 Lakhs for the same period last year. As a result of increase in the consolidated profit, Reserves and Surplus have increased from INR 1915.82 Lakhs in FY 2015-16 to INR 2569.02 Lakhs in FY 2016-17. Accumulated losses and unamortised goodwill as on March 31, 2016 have been adjusted against balance of Securities Premium Account.

c. Fixed Assets

Net fixed assets stood at INR 860.96 Lakhs as on 31st March, 2017 compared to INR 1900.45 Lakhs as on 31st March, 2016.

d. EBIDTA

The EBITDA increased by 93% at INR 2205.42 Lakhs for the year ended 31st March, 2017 as compared to INR 1142.89 Lakhs for the same period last year.

e. Expenditure

Total Expenditure increased to INR 7854.94 Lakhs for the year ended 31st March, 2017 as compared to INR 5439.60 Lakhs for the same period last year. Out of the above, Employee cost stood at INR 4186.42 Lakhs in FY 2016-17 as compared to INR 3407.25 Lakhs for the same period last year.

STANDALONE FINANCIAL HIGHLIGHTS

Snapshot

(In INR Lakhs)

Year	2016 – 17	2015 – 16	Growth
Revenue	3865.55	2945.33	31%
Total Expenditure	3396.21	2463.16	
EBIDTA	469.34	482.17	-3%
Tax Expense / (Tax Benefit)	269.86	(245.77)	
Net Profit	424.36	558.50	-24%
Fixed Assets	118.86	836.19	
Reserves & Surplus	756.43	1309.20	-42%

a. Revenue

Revenue increased by 31% to INR 3865.55 Lakhs for the year ended 31st March, 2017 as compared to INR 2945.33 Lakhs for the same period last year.

b. Net Profit & Reserves and Surplus

Net Profit decreased by 24% to INR 424.36 Lakhs for the year ended 31st March, 2017 as compared to INR 558.50 Lakhs for the same period last year. As a result of decrease in profits, and due to adjustment of accumulated losses and unamortised goodwill as on March 31, 2016 against balance of Securities Premium Account, Reserves and Surplus have decreased from INR 1309.20 Lakhs in FY 2015-16 to INR 756.43 Lakhs in FY 2016-17.

c. Fixed Assets

Net fixed assets stood at INR 118.86 Lakhs as on 31st March, 2017 compared to INR 836.19 Lakhs as on 31st March, 2016.

d. EBIDTA

The EBITDA decreased by 3% at INR 469.34 Lakhs for the year ended 31st March, 2017 as compared to INR 482.17 Lakhs for the same period last year.

e. Expenditure

Total Expenditure increased to INR 3396.21 Lakhs for the year ended 31st March, 2017 as compared to INR 2463.16 Lakhs for the same period last year. Out of the above, Employee cost stood at INR 2063.19 Lakhs in FY 2016-17 as compared to INR 1613.70 Lakhs for the same period last year.

The details of the financial performance of your company are appearing in the Balance Sheet, Profit & Loss Account and other financial statements forming part of this Annual report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your company's board and management team monitor and make enhancements to your company's systems for internal control and risk management on an ongoing basis. Your company's efforts towards this go beyond what is mandatorily required, with active monitoring and review to ensure adequacy of control systems and to identify potential risks as well as recommend or implement measures to mitigate them.

Your Company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, reported and recorded correctly. Your company's internal control system is adequate considering the nature, size and complexity of its business. Your company's internal control systems provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of company assets. These also enable your company to adhere to procedures, guidelines, and regulations as applicable in a transparent manner.

Your company's internal control systems are supplemented by an internal audit program and periodic reviews by the management. Your company has appointed an independent audit firm as its Internal Auditors and the Audit observations are periodically reviewed by the Audit Committee of the Board of Directors and necessary directions are issued, wherever required. The existing internal control systems and their adequacy have been reviewed extensively during the year by internal auditors and statutory auditors. They have expressed an opinion that the internal control system is adequate and functioning effectively.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

Your company is committed to create an environment of learning and development, promote internal talent and build an appreciating culture. Your Company has created platforms for recognizing and motivating employees for the good work they do in the organization. Sound human resource development policies of your Company ensures that each employee grows as an individual and contributes to the performance of your Company. It also works towards building a work culture aimed at achieving higher performance orientation.

Our employees are our most important and valuable assets. All your Company's policies are focused towards a healthy, happy and prosperous work environment for its employees and thereby also fulfill the aspirations of the people at work. Your Company along with its subsidiaries ended the year with a headcount of 317. The key elements that define our culture include professional working environment, training and development, and compensation.

DISCLAIMER

Certain statements in this report or elsewhere in the Annual Report may contain statements concerning Cambridge Technology Enterprises Limited and its growth prospects, expected financial position, business strategy, future development of the company's operations, general economy, industry structure and other developments that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of actual results, future performance or achievements and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, changes in government policies or regulations of India, changes relating to the administration of the company, the company's ability to successfully implement its strategy, the Company's future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company's market preferences and its exposure to market risks, as well as other risks. The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this report. The Company assumes no obligation to update any forward-looking information contained in this report.

REPORT ON CORPORATE GOVERNANCE REPORT**A. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Cambridge Technology Enterprises Limited ("CTEL" or "the Company") shall endeavor to adhere to values of good corporate governance and ethical business practices to maintain sound standards of Business Conduct and Corporate Governance.

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the organization. For Cambridge Technology Enterprises Limited, however, good corporate governance has been a cornerstone of the entire management process, the emphasis being on professional management with a decision making model based on decentralization, empowerment and meritocracy, to adopt the best practices in Corporate Governance, to consistently communicate and make timely disclosures, so as to ensure transparency, integrity and accountability to enhance the value of the stakeholders and achieve sustainable growth of the Company.

B. BOARD DIRECTORS**Composition and Category of Directors**

The Board consists of 6 (Six) directors comprising 2 (Two) Whole - time Directors, 1 (one) Non-Independent and Non-Executive Director and 3 (Three) Independent Directors as on March 31, 2017.

The Composition of the Board is in conformity with Section 149(4) of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015.

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Listing Regulations and the Companies Act, 2013. All the Directors have made necessary disclosures regarding Committee positions and Directorships held by them in other companies. None of the Directors is a member of more than 10 committees or chairman of more than 5 committees across all the companies in which they are directors.

Attendance of each Director at the meeting of the Board of Directors, Directorships, committee Memberships and the attendance at last Annual General meeting:

Name of the Director & Designation	Category	Number of Board Meetings attended during the year 2016-17	Whether attended last AGM held on 30 th September, 2017	No. of directorships in other companies		No. of committee positions in other companies	
				Chairman	Member	Chairman	Member
Aashish Kalra Chairman & CEO	Executive Director	3	No	-	3	-	-
Dharani Raghurama Swaroop, Whole-Time Director	Executive Director	6	Yes	-	3	-	-
Stefan Hetges, Director	Non-Executive Non-Independent Director	2	No	-	3	-	-
Venkat Motaparthi	Independent Director	6	Yes	-	1	-	-
B. Muralidhar	Independent Director	6	Yes	-	3	-	-
K Jayalakshmi Kumari	Independent Director	6	Yes	-	1	-	-

Note: In accordance with Regulation 26 of SEBI (LODR) Regulations, 2015, membership/ chairmanship of only audit committee, shareholders/investors relationship committee of all companies has been considered.

Number of Board Meetings held during the year 2016-17:

The Board of Directors duly met 6 (Six) times during the financial year from 1st April, 2016 to 31st March, 2017. The dates on which the meetings were held are as follows:

30th May 2016, 29th July 2016, 29th August, 2016, 7th November 2016, 7th December, 2016 and 7th February, 2017. The maximum time-gap between any two consecutive meetings did not exceed one hundred and twenty days. As required by Part A of Schedule II to the Listing Regulations, all the necessary information was placed before the Board from time to time. The board of directors periodically reviewed compliance reports pertaining to all laws applicable to the listed entity, prepared by the listed entity as also steps taken to remediate instances of non-compliances, if any. The Board is satisfied that the succession plan is in place for appointment to the board of directors and senior management.

Disclosure of relationships between directors inter-se

None of the Directors/Board members are related to the other.

Number of shares and convertible instruments held by Non-executive Directors

Name of the Director	No. of Equity Shares held
B Muralidhar	288

Web link where details of familiarization programmes imparted to Independent Directors is disclosed

In terms of Reg. 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2017, the Company should conduct Familiarization Programs for Independent Directors about their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various initiatives. The details of familiarization program is available on the website of company at: <http://www.ctepl.com/wp-content/uploads/2017/04/FamiliarisationProgrammeCTE2017.pdf>

Web link where terms and conditions of appointment of Independent Directors is disclosed

The terms and conditions of appointment of Independent Directors is also disseminated on the website of the Company. Web link: http://www.ctepl.com/pdfs/investors/Terms_of_appointment_of_independent_Directors.pdf

C. COMMITTEES OF THE BOARD

I. Audit Committee

Powers and terms of reference

The Broad purpose of the Audit Committee is to assist the Board of Directors ('Board') in reviewing the financial information which will be provided to the Members and others, reviewing the systems of internal controls established in the Company, appointing, retaining and reviewing the performance of internal accountants/internal auditors and overseeing the Company's accounting and financial reporting process and the audit of the Company's financial statements, appointment and performance evaluation of statutory auditors, review of related party transactions, etc.,

The power, role and terms of reference of the Audit Committee are as mentioned in Regulation 18 and Part C of Schedule II of SEBI (LODR) Regulations, 2017, read with Section 177 of the Companies Act, 2013. Apart from the above, the Committee also carries out such functions/ responsibilities entrusted on it by the Board of Directors from time to time.

Composition and meeting

The Audit Committee comprises of two Non-Executive Independent Directors chaired by Mr. Venkat Motaparthy. The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. Five meetings of the Audit Committee were held during the financial year 2016-17. The dates on which the said meetings were held are as follows:

30th May 2016, 29th July 2016, 29th August, 2016, 7th November 2016 and 7th February, 2017. The time-gap between two meetings is not more than one hundred and twenty days.

The composition of Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name & category	Designation	No of meetings attended during the year 2016-17
Venkat Motaparthy, Non-Executive & Independent Director	Chairman	5
B. Muralidhar, Non-Executive & Independent Director	Member	5
Dharani Raghurama Swaroop, Executive Director	Member	5

The meetings are usually attended by the members of the Committee, CFO & CS and representatives of Statutory Auditors & Internal Auditors.

II. Nomination and Remuneration Committee**Terms of Reference**

The power, role and terms of reference of the Nomination and Remuneration Committee are as mentioned in Regulation 19 and part D of Schedule II of SEBI (LODR) Regulations, 2017, read with Section 178 of the Companies Act, 2013, Nomination, Remuneration and Performance Evaluation Policy and as entrusted by Board of Directors from time to time (**Refer Annexure 2**).

Broad Terms of Reference of the Committee inter-alia include formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees; formulation of criteria for evaluation of performance of independent directors and the board of directors; devising a policy on diversity of board of directors; identifying persons who are qualified to become directors and who may be appointed in senior management and recommend to the board of directors their appointment and removal.

The terms of reference to the Nomination and Remuneration Committee also includes:

- Recommendation of employees stock option scheme
- Administer the employee stock option scheme.

Composition and meeting

The Nomination and Remuneration Committee of the Company consists of 3 (Three) Independent Directors including Chairman. The composition of the Nomination & Remuneration Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2017.

Number of Meeting(s) held during the year

During the year there was no meeting held by the Nomination and Remuneration Committee.

Composition, name of Members and attendance during the year

Name of the Director	Position	No. of Meetings Attended
Venkat Motaparthy	Chairman	NIL
B Muralidhar	Member	NIL
K Jayalakshmi Kumari	Member	NIL

Performance Evaluation Criteria for Independent Directors

The Board is committed to assessing its own performance as a Board (including Committees) in order to identify its strengths and areas in which it may improve its functioning. To that end, the Committee shall establish the following processes for evaluation of performance of Independent Directors and the Board.

- Once a year, the Board will conduct a self-evaluation. The Chairperson will meet with the directors either collectively or separately, as he may deem fit, seeking input in relation to the performance of the Board, each Board Committee, other Whole time Directors and his own performance.
- The Chairperson will collect the input and provide an overview to the Board for its discussion.
- The Board as a whole will discuss and analyze the performance collectively of each director individually and its own performance during the year including suggestions for change or improvement, as well as any skills, education or development required over the forthcoming year.
- The Board / Independent Directors shall be asked to complete the evaluation forms (As designed by the Committee from time to time) and submit the same to the Chairman.

The performance evaluation has been done by the entire Board as per the Companies Act, 2013 and Listing Regulations.

Separate Meeting of the Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and Listing Regulations, a separate meeting of the Company's Independent Directors was held on February 07, 2017. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- reviewed the performance of non-independent directors and the Board as a whole;
- reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Remuneration of Directors:

- There were no pecuniary transactions with any non-executive director of the Company.
- The Company has not paid any remuneration to its non-executive directors, except the sitting fees paid for attending the meetings of the Board and the Committees.

- c. Criteria of making payments to non – executive directors: The criteria of making payments to non – executive directors is mentioned in performance evaluation, nomination and remuneration policy, which is attached as an **Annexure 2** to Corporate Governance Report and the same is also available on the website of the Company at http://www.ctepl.com/pdfs/investors/Performance_evaluation_nomination_remuneration_policy.pdf.
- d. Details of the remuneration of Executive Directors and Non-Executive Directors for the year ended 31st March, 2017 are as follows:

(in INR)

Name	Salary	Perquisites & other benefits	Performance Bonus/ Commission	Earned leave & gratuity	Others leave encashment	Sitting fees	Total
Dharani Raghurama Swaroop*, Whole – time Director	20,00,000	3,33,334	-	-	1,66,667	-	25,00,001
Venkat Motaparthi, Independent Director	-	-	-	-	-	1,10,000	1,10,000
B Muralidhar, Independent Director	-	-	-	-	-	1,10,000	1,10,000
K Jayalakshmi Kumar, Independent Director	-	-	-	-	-	60,000	60,000

* During FY 2015 – 16, Mr. Dharani Raghurama Swaroop, has been granted 20,000 stock options at an exercise price of Rs. 38/- with a vesting period of three years from the date of grant. However in no case the exercise period shall be extended beyond five years from the date of first vesting.

Shareholding of the Directors of the Company as on 31st March, 2017

Name	No of shares	% of Total holding
Dharani Raghurama Swaroop	22,926	0.116
B Muralidhar	288	0.001

III. Stakeholders Relationship Committee

Terms of Reference

The powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015.

Broad Terms of Reference of the Committee inter-alia include to consider and resolve the investor grievances.

Composition of the Committee

The Stakeholders Relationship Committee of the Company consists of 2 Independent Directors and one Executive Director including Chairman.

No. of meetings held and attendance during the year

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
B Muralidhar*	Chairman	NIL	NIL
Venkat Motaparthi	Member	NIL	NIL
Dharani Raghurama Swaroop	Member	NIL	NIL

*B Muralidhar is a non – executive director heading the Committee.

Name and Designation of Compliance Officer:

Mr. T V Siva Prasad is the CFO, Company Secretary and Compliance Officer of the Company.

Number of Shareholders' complaints received so far: One (1)

Number of Complaints resolved to the satisfaction of Shareholders: One (1)

Number of Complaints not resolved to the satisfaction of Shareholders: Nil

Number of Pending Complaints: Nil

IV. Risk Management Committee

The provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e., Risk Management Committee provisions shall be applicable to top 100 listed entities on the basis of market capitalization as at the end of the immediate previous financial year.

As the said provisions are not applicable to the Company, the Company did not constitute Risk Management Committee.

Note: The composition of various committees of the board of directors is disseminated on the website of the Company.

Weblink: http://www.ctepl.com/pdfs/investors/Composition_of_Board_of_Directors.pdf

D. GENERAL BODY MEETINGS

- a. The location and time of the Annual General Meetings held during the last three years and number of Special Resolutions passed at that meetings:

Year	Date and Time	Location	Number of Special Resolutions Passed
2015-16	30 th September, 2016 at 10.30 A.M.	FATPCCI Auditorium, Ground Floor, FTAPCCI, FAPCCI Marg, Red Hills, Hyderabad – 500004, Telangana State.	Nil
2014-15	7 th September, 2015 at 3.30 P.M.	Vega Hall, First Level, AVASA Hotel, Plot no.15,24,25&26, Sector-1, Survey No.64, HUDA Techno Enclave, Madhapur, Hyderabad – 500081.	5 (five) Special Resolutions were passed as follows: i. Amendment to Articles of Association of the company ii. Appointment of Mr. Aashish Kalra as Chairman & Whole – time Director iii. Amendment to CTCL ESOP Scheme 2011 iv. Amendment to CTCL ESOP Scheme 2 – 2008 v. Amendment to CTCL ESOP Scheme 1 - 2006
2013-14	29 th December, 2014 at 10.30 A.M.	“Ruby Hall”, 5 th floor, Hotel Pearl Inn, Plot #15 to 18, Lumbini Layout, Gachibowli, Hyderabad – 500032,	Nil

The Company passed special resolutions, if any, as per the agenda given in the notice calling the general meetings.

b. Special Resolutions passed through Postal Ballot and details of Voting Pattern:

No Special Resolutions were passed through Postal Ballot during the year 2016-17.

Passing of Special Resolutions through Postal Ballot during the year 2017-18.

There is no such proposal as of now. In case, any resolution needs to be passed through Postal Ballot during the year 2017-18, the procedure laid down under Section 110 of the Companies Act, 2013 and the Rules made thereunder will be complied.

E. MEANS OF COMMUNICATION

Quarterly results: Quarterly, half-yearly and yearly financial results of the Company are published as per the requirements of Regulation 33 & 47 of the SEBI (LODR) Regulations, 2015 normally in the below newspapers. The financial results and other reports/intimations required under the SEBI (LODR) Regulations, 2015 are filed electronically with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and also posted on the Company's website- www.ctepl.com.

Newspapers wherein results normally published: Financial Express & Andhra Prabha.

News releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges and are displayed on website the website of the company at www.ctepl.com.

Presentations to institutional investors / analysts: The presentations made to investors or the analysts are posted on the website of the company.

Website: The Company's website contains a separate dedicated section 'Investors' where shareholder's information is available. All the information as specified under Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are uploaded under Investor section of the website. The Company's Annual Report is also available in a user friendly and downloadable form.

Annual Report: The annual report containing, inter alia, audited standalone financial statements, consolidated financial statements, Director's report, Auditor's report, Corporate Governance report, Management Discussion and Analysis Report and other important information is circulated to members and others entitled thereto.

Management Discussion and Analysis (MDA) Report: The report on MDA forms part of the annual report.

Disclosures to Stock Exchanges: The Company informs BSE and NSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre: BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

Dedicated e – mail ID: In terms of SEBI (LODR) Regulations, 2015 the company has designated e-mail exclusively for investor service: investors@ctepl.com

F. GENERAL SHAREHOLDERS INFORMATION.

- **Company Registration Details:** The Company is registered in the State of Telangana, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L72200AP1999PLC030997.

- **Correspondence Address**

Cambridge Technology Enterprises Limited
Unit No 04 – 03, Level 4, Block 1, Cyber Pearl,
HITEC – City, Madhapur, Hyderabad (TS) – 500 081.
Tel: 040 – 40234400; Fax: 040 – 40234600.

- **Date, Time and Venue of the Annual General Meeting**

Date: 25th September, 2017

Day: Monday

Time: 10.30 A.M.

Venue: Ruby Hall, 5th Floor, Hotel Peerless Inn, Plot #15 to 18, Lumbini Layout, Gachibowli, Hyderabad – 500 032, Telangana State, India

- **Particulars of Financial Calendar:**

Financial year: April 1 to March 31

Quarterly Results: Tentative dates for declaration of financial results.

1 st Quarter	-	On or before 14th September, 2017*
2 nd Quarter	-	On or before 14th December, 2017*
3 rd Quarter	-	On or before 14th February, 2018
4 th Quarter & year ended	-	On or before 30th May, 2018

The Ind – AS is applicable to the Company from the Financial Year 2016 – 17. Pursuant to SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, the timeline for submitting the financial results in compliance with the provisions of this Circular is extended by one month.

Book Closure Date: Tuesday, 19th September, 2017 to Monday, 25th September, 2017 (both days inclusive) for the purpose of Annual General Meeting of the Company.

- **Name and Address of Stock Exchanges where the Company's shares are listed and confirmation of payment of Annual Listing Fees:**

Equity Shares	Stock Code
The Bombay Stock Exchange Ltd, PhirozeJeejeebhoy Towers, 25 th Floor, Dalal Street, Fort, Mumbai – 400 001	532801
The National Stock Exchange of India Ltd. Exchange Plaza, BandraKurla Complex, Bandra (East), Mumbai – 400 051.	CTE

Note: Annual Listing Fees have been paid to the Stock Exchanges for the financial year 2016-17.

- Market Price Data**

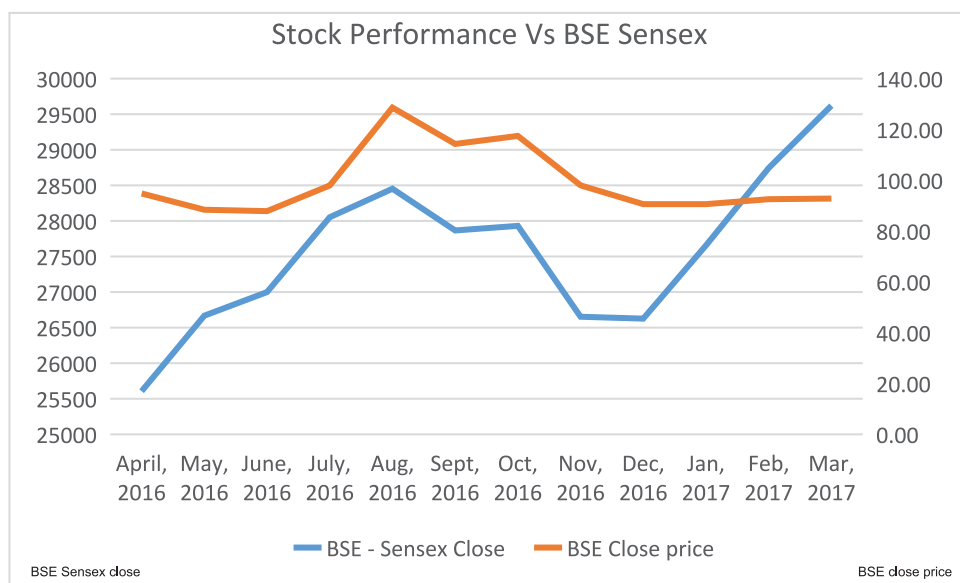
BSE				NSE		
Month	High	Low	No. of shares	High	Low	No. of shares
April-16	118.16	94.20	1,92,450	120.00	94.40	1,92,924
May-16	100.50	77.05	84,968	100.65	76.85	2,65,860
June-16	101.40	83.60	1,34,743	101.25	83.00	1,97,139
July-16	102.10	88.15	1,05,914	102.15	89.05	2,72,464
Aug-16	142.05	99.90	2,65,467	141.65	99.55	1,46,491
Sep-16	131.10	113.10	3,26,942	130.70	113.45	3,71,363
Oct-16	121.40	108.85	1,49,367	121.45	108.55	2,22,626
Nov-16	122.65	94.10	1,42,270	123.00	94.10	2,17,504
Dec-16	106.00	90.25	1,14,443	107.10	90.35	2,02,934
Jan-17	101.85	90.25	50,193	101.85	89.20	92,699
Feb-17	104.60	87.00	1,44,035	104.40	86.85	2,15,616
Mar-17	96.40	84.00	2,38,655	95.80	84.00	2,77,433

The monthly high and low prices recorded in BSE and NSE during the financial year 2017-16 is as under:

- Performance in comparison to BSE Sensex**

Month	BSE Sensex Close	BSE Close Price
April-16	25606.62	94.80
May-16	26667.96	88.40
June-16	26999.72	87.85
July-16	28051.86	97.95
Aug-16	28452.17	128.60
Sep-16	27865.96	114.30
Oct-16	27930.21	117.45
Nov-16	26652.81	98.00
Dec-16	26626.46	90.60
Jan-17	27655.96	90.60
Feb-17	28743.32	92.55
Mar-17	29620.50	92.80

Graphical Presentation



- Suspension of Securities from Trading by Directors: – Not applicable**

- Registrar to an issue and Share Transfer Agents:**

Aarathi Consultants Private Ltd

CIN: U74140TG1992PTC014044

1-2-285, Domalguda

Hyderabad – 500 029

T +91-40-27638111

F +91-40-27632184

info@aarathiconsultants.com

- Share Transfer System**

Shareholders' requests for transfer / transmission of equity shares and other related matters are handled by Registrar and Transfer Agent and are effected within 15 days from the date of receipt, if all the documents are valid and in order.

The Company obtains half-yearly certificate from a Company Secretary in Practice confirming the issue of certificates for transfer, sub-division, consolidation etc., and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of SEBI (LODR) Regulations, 2015. Further, the Compliance Certificate under Regulation 7(3) of the SEBI (LODR) Regulations, 2015 confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Board is also submitted to the Stock Exchanges on a half yearly basis.

In compliance of SEBI requirement, Share Transfers are entertained, both under Demat Form and Physical Form. Share Transfers in respect of physical shares are normally effected within a maximum of 15 days from the date of receipt, if all the required documentation is complete and are in order. Also the company has made arrangements for simultaneous dematerialization of share certificates lodged for transfer, subject to the regulations specified by SEBI in this regard.

As at 31st March, 2017, no equity shares were pending for transfer.

• **Distribution of shareholding as on 31st March, 2017.**

S.No	Category	Holders	Holders %	No. of Shares	Amount	Amount%
1	1 - 5000	5,573	84.34	7,61,644	76,16,440	3.88
2	5001 - 10000	440	6.66	3,58,920	35,89,200	1.83
3	10001 - 20000	243	3.68	3,80,381	38,03,810	1.94
4	20001 - 30000	110	1.66	2,81,839	28,18,390	1.44
5	30001 - 40000	59	0.89	2,10,159	21,01,590	1.07
6	40001 - 50000	44	0.67	2,07,391	20,73,910	1.06
7	50001 - 100000	58	0.88	4,40,651	44,06,510	2.24
8	100001 & above	81	1.23	1,69,90,030	16,99,00,300	86.55
	Total	6,608	100.00	19631015	196310150	100.00

Category of Equity Shareholders as on 31st March, 2017.

Category	No. of Shares held	Percentage of Shareholding
Promoter & Promoter Group	9209693	46.91
Public		
Individual Shareholders	5296398	26.98
Corporate Bodies		
i. Indian	511378	2.60
ii. Overseas	309920	1.58
Foreign Bodies Corporate	2087981	10.64
Clearing Members	45902	0.23
NRI's (Repatriable and Non-Repatriable)	1521955	7.75
Foreign Nationals	99544	0.51
Total Public Shareholding	9873078	50.29
Employee Benefit Trusts (Non – Promoter & Non – Public)	548244	2.79
Total	19631015	100.00

S.No.	Name	No. of shares held	% of paid up capital
I.	Promoters		
1	Cloud Computing LLC	9,209,693	46.91
	SUB-TOTAL	9,209,693	46.91
II.	Public		
	Holding more than 1%		
2	Smartshift AG	20,30,600	10.34
3	Sarosh Kersie Waghmar	6,30,160	3.21
4	Raymond J Lane	5,00,000	2.55
5	Mukul Mahavirprasad Agrawal	4,50,000	2.29
6	Suresh Gadaley	4,38,834	2.24
7	Devinder Prakash Kalra	3,93,000	2.00
8	D R R Swaroop(Trustee-ESOP Trust)	3,21,244	1.64

S.No.	Name	No. of shares held	% of paid up capital
9	OurVox Holdings LLC	3,09,920	1.58
10	Kanchan Sunil Singhania	2,85,000	1.45
11	Purushothaman Vinayakam-Trustee (ESOP Trust)	2,27,000	1.16
12	Kamal Gadabay	2,06,967	1.06
	SUB-TOTAL	57,92,725	29.52
III.	OTHERS	46,28,597	23.57
	GRAND TOTAL	1,96,31,015	100.00

• **Dematerialization of shares and Liquidity as on 31st March, 2017.**

S.No.	Mode	No. of shares	% of total paid up
1	Demat (NSDL)	1,51,32,764	77.09
2	Demat (CDSL)	35,25,720	17.96
3	Physical	9,72,531	4.95
	TOTAL	1,96,31,015	100.00

- **Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:** The company has not issued any GDRs/ADRs or any commercial instrument.
- **Commodity price risk or foreign exchange risk and hedging activities:** During the year under review, the Company had managed the foreign exchange risk and hedged to the extent considered necessary.
- **Plant locations (Software Development Locations & correspondence address)**
 - USA**
 - Cambridge Technology Inc, 5051, Peachtree Corners Circle, Suite 200, Norcross, 30092 USA.
 - Cambridge Innovations Capital LLC., 120 SE 6th Avenue, Suite 230, Topeka, KS 66603.
 - 1600 Envoy Circle, Suite 1602, Louisville – KY, 40299, USA.
 - Singapore**
Cambridge Technology Investments Pte Ltd, 51, Goldhill Plaza, # 07-10/11, SINGAPORE (308900)
 - Philippines**
Cambridge Biz Serve Inc., 2nd Floor, DCG Building, Crossing Bayabas, Toril, Davao City 8025.
 - India**
 - Unit No. 04-03, Level 4, Block I, “Cyber Pearl” Hitec City, Madhapur, Hyderabad – 500 081.
 - Suraj Ganga Soft Park, 4th Floor, No.34, 1st Main Road, 3rd Phase, JP Nagar, Bangalore-560078.
 - # 205, A Block, 2nd Floor, Delta Wing, Raheja Tower, No.177/8, Anna Salai, Chennai – 600002.

- iv. SYMPHONY Towers CHS Ltd, A-Wing, Flat No. 1603, New Link Road, Shanthi Nagar, Kandivali West, Mumbai – 400067.

G. OTHER DISCLOSURES

Particulars of Directors seeking Appointment/Re-appointment

For particulars of Director seeking re – appointment, please refer annexure to 18th AGM Notice of the Company dated 24th August, 2017.

Related Party Disclosure

Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large:

During FY 2016-17, all related party transactions were in the ordinary course of business and on arm's length basis. Approval of the Board and / or Audit Committee is obtained, as required from time to time. The transactions are also reviewed by audit committee from time to time. However, there were no such transactions requiring approval of the Audit Committee/Board/ Shareholders as per the Listing Regulations. During the year, the Company had not entered into any contract / arrangement / transactions with Related Parties (except with its subsidiaries as follows) which could be considered as material in terms of Regulation 23 of the SEBI (LODR) Regulations, 2015. Disclosures on related party transactions have been made in the notes to the Financial Statements.

Names of Related Party	Nature of Relationship	Nature of Transaction	Salient terms of the contract or transactions including the value, if any
Cambridge Technology Inc., USA	Wholly Owned Subsidiary	Services Rendered	At arm's length basis and in the ordinary course of business. As per transfer pricing guidelines. The transaction is at arm's length price. The Export Revenue from Cambridge Technology Inc, USA is INR 32,35,57,132/-

Related Party Transactions Policy

The Policy is available on the website of the Company.

Web link: http://www.ctepl.com/pdfs/investors/Related_party_transactions_policy.pdf

Non-Compliances by the Company

There were no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last 3 years.

Establishment of Vigil Mechanism/Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

In accordance with the provisions of Section 177(9) of the Companies Act, 2013 and the Rules made thereunder and also under Regulation 22 of SEBI (LODR) Regulation, 2015, your company has established a mechanism for Whistle Blower Policy to report concerns about unethical behavior, actual or suspected fraud. It also provides for adequate safeguards against the victimization of Directors and employees or any other person who avail the mechanism, and also provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. During the year under review, no personnel has been denied access to the Audit Committee. The Whistle blower policy is available on the website of the Company. Weblink: http://www.ctepl.com/pdfs/investors/Whistle_Blower_Policy.pdf

Compliance with mandatory requirements

The Company has complied with all the mandatory requirements of Corporate Governance as stated under Schedule II to the SEBI (LODR) Regulations, 2015.

Adoption of non-mandatory requirements

- Reporting of Internal Auditors to Audit Committee has been adopted from discretionary requirements.
- There are no qualifications or adverse remarks in the Statutory Auditors Report.
- The Company sends Half-yearly Results to certain shareholders holding more than 1% of shares apart from publishing Half-yearly unaudited financials in 'Financial Express' and 'Andhra Prabha' newspapers and are also posted on the website of the Company www.ctepl.com.

Subsidiary Companies

The Company does not have any material non-listed Indian subsidiary company and hence, the requirement of inducting an Independent Director on the Board of Directors of the subsidiary company in terms of regulation 24(1) of the Listing Regulations does not arise. However, the Company has two wholly-owned foreign subsidiaries namely, Cambridge Technology Inc., USA and Cambridge Technology Investments Pte. Ltd., and two wholly-owned Indian subsidiaries namely Cambridge Bizserve Private Limited and Cambridge Innovations Private Limited.

All subsidiary companies are Board managed with their Boards having the rights and to manage such companies in the best interest of their stakeholders. The audit committee of the company has reviewed the financial statements, in particular, investments made by the unlisted subsidiary. The minutes of the meetings of board of directors of the unlisted subsidiary are placed at the board meeting of the company, as and when required. The management of the unlisted subsidiary brings to the notice of the board of directors of the company, a statement of all significant transactions and / or arrangements entered into by the subsidiary. The Company monitors performance of subsidiary companies and also comply with the regulations, inter alia, by means, as specified in Regulation 24 of the SEBI (LODR) Regulations, 2015.

In terms of regulation 16 of the Listing Regulations, the Board of Directors has adopted a policy with regard to determination of Material Subsidiaries. The policy is available on the website of the Company at http://www.ctepl.com/pdfs/investors/Policy_on_material_subsidiaries.pdf.

Code of Conduct

The Company has adopted a Code of Conduct for the Board of Directors & Senior Management personnel of the Company, as per the provisions of Regulation 17(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Code serves as a guide to the Directors and Senior Management to make informed and prudent decisions and act on them. The code is available on the website of the Company at http://www.ctepl.com/pdfs/investors/Code_of_Conduct.pdf.

The members of the Board including Independent Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as at March 31, 2017. A declaration to this effect signed by Mr. Aashish Kalra, Chairman and CEO is attached as an **Annexure 1** to this report.

Code of conduct for prohibition of insider trading

The capital market regulator Securities and Exchange Board of India (SEBI) notified SEBI (Prohibition of Insider Trading) Regulations, 2015 on 15th January, 2015. Pursuant to the provisions of the said regulations, the Board of Directors approved and adopted 'Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' which, inter alia, lays down the process of dealing in securities of the Company, along with the reporting and disclosure requirements by the employees and the connected persons and the same shall replace the existing code and become effective from 15th May, 2015. It provides for pre-clearance of trades above certain thresholds and trading restrictions on the designated employees and connected persons when in possession of unpublished price sensitive information and/or at the time of trading window closure.

The code is available on the website of the Company at: http://www.ctepl.com/pdfs/investors/Code_of_conduct_for_reporting_monitoring_regulating_of_trading_by_insiders.pdf

In terms of the said regulations, the Company has also formulated 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', with an objective to have a standard and stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.

Disclosure on Accounting Treatment

The financial statements are prepared in accordance with Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on the accrual basis to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the relevant provisions of the Companies Act, 2013.

Risk Management

The Company process is in place to ensure that all the current and future material risks of the Company are identified, assessed/quantified and effective steps are taken to mitigate/ reduce the effects of the risks to ensure proper growth of the business and also to inform the same to the board of directors. Shareholders are also requested to refer a separate section on Internal Control systems and their adequacy, which also deals with Risk Management, in Management Discussion and Analysis Report.

Reconciliation of Share Capital Audit for reconciliation of share capital

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital. This audit is carried out every quarter and the report there on is submitted to the stock exchanges and is placed before the board of directors of the Company. The audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

Policy on Disclosure of Material Events and Information

The Company has adopted the Policy on Disclosure of Material Events and Information, in accordance with the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to determine the events and information which are material in nature and are required to be disclosed to the stock exchanges. The said policy is available on the website of the Company at: <http://www.ctepl.com/pdfs/investors/CTELPolicyonDisclosureofMaterialEvents.pdf>

Corporate Social Responsibility

During the FY 2016-17, the Company is not required to comply with the provisions of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility.

CEO and CFO certification

The Chairman and CEO and the Chief Financial Officer have certified to the Board regarding compliance of matters specified in regulation 17(8) read with Part B of Schedule II of the Listing Regulations and the same forms part of the Directors Report, attached as an Annexure 6 to the same.

Compliance Certificate regarding compliance of conditions of Corporate Governance

Mrs. B. Krishnaveni, a Company Secretary in Practice has certified that conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015 have been complied by your Company and her certificate is annexed as **Annexure 8** to the Directors Report.

The Company also submits a quarterly compliance report on corporate governance in the format as specified from time to time to NSE & BSE within 15 days from the close of every quarter.

Disclosure with respect to demat suspense account / unclaimed suspense account.

Your company does not have any Unclaimed shares issued in physical form pursuant Public issue/Rights Issue etc.

Disclosure of Compliance:

Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of SEBI (LODR) Regulations, 2015.

Regulation	Particular of Regulations	Compliance Status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Not Applicable
22	Vigil Mechanism	Yes
23	Related party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Director	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b)to(i)	Website	Yes

Declaration of Code of Conduct for Board of Directors and Senior Management of CTE

(Pursuant to Regulation 26(3) & Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.)

This is to confirm that the Company has adopted Code of Conduct for the Board of Directors and the Senior Management of the Company, which is available on the Company's website www.ctepl.com

I declare that the Board of Directors and the Senior Management Personnel of the Company have affirmed their compliance with the "Code of Conduct for Board of Directors and Senior Management of Cambridge Technology Enterprises Limited".

Sd/-

Place: Hyderabad

Aashish Kalra

Date: 22.05.2017

(Chairman & CEO)

Annexure 2

PERFORMANCE EVALUATION, NOMINATION & REMUNERATION POLICY

I. Title:

This policy with regard to Performance Evaluation and Remuneration shall be called the Cambridge Technology Enterprises Limited – Performance Evaluation and Remuneration Policy (herein after referred to as the "Policy").

II. Introduction

This Performance Evaluation, Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

III. DEFINITIONS

- a) Act** means the Companies Act, 2013 and the rules made thereunder.
- b) Board** means Board of Directors of the Company
- c) Committee** means Nomination and Remuneration Committee of the Company.
- d) Company** means Cambridge Technology Enterprises Limited
- e) Employee** means any employee of the Company (whether working in India or abroad)
- f) Independent Director** means a director who meets the criteria of Independence laid down under Section 149 of the Companies Act, 2013 read with the rules made there under and the Listing Agreement entered with the stock exchanges.
- g) Key Managerial Personnel** means:
 - i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
 - ii) Chief Financial Officer;
 - iii) Company Secretary; and
 - iv) Such other officer who is reporting to Managing Director/CEO.

- h) **Nomination and Remuneration Committee**, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Clause 49 of the Listing Agreement.
- i) **Senior Managerial Personnel** mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management who are one level below the Executive Directors, including the functional heads.

IV. Objective

The Objective and purpose of this policy are:

- To carry out formal evaluation by the Board of its own performance and that of its committees and individual directors
- To establish a framework for the remuneration of directors, key managerial personnel and other employees.
- To lay down criteria for identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal.
- To attract, retain and motivate the Directors, KMPs and Senior Management Personnel.

V. Role of the Committee:

The Committee shall:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;
- c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- e) To devise a Policy on Board diversity.
- f) The Committee shall, while formulating the policy under Section 178(3) ensure that—
 - i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- g) Any other responsibility as determined by the Board.
- h) To carry out additional functions and adopt additional policies and procedures as may be required or appropriate in light of changing business, legislative, regulatory, legal or other conditions.

VI. General:

This Policy is divided in five parts:

Part – A: Appointment & Remuneration

Part – B: Performance Evaluation

Part – C: Framework for Separate meeting of Independent Directors

Part – D: Familiarisation Programme for Independent Directors

Part – E: Policy on Board Diversity

PART - A

Appointment & Remuneration

1. Appointment criteria and qualification

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy. A proposed appointee shall fulfill all the requirements prescribed, from time to time, under the Companies Act 2013, Listing Agreement and other relevant laws
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c. Appointment of Directors, KMP's and Senior Management Personnel are subject to compliance of provisions of the Companies Act, 2013 and compliance of clause 49 of the Listing Agreement. The Director/ Independent Director/Senior Management Personnel/KMP shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.
- d. While appointing Independent Directors, the Committee shall ensure that the person proposed to be appointed possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, administration, research, corporate governance, technical operations, other disciplines related to the Company's business and such other criteria as may be specified by any law amended from time to time.
- e. It shall also ensure that Directors proposed to be appointed are not disqualified under any law. In case of Independent Director, it shall ensure that person proposed to be appointed meets the criteria of independence as laid down by the Companies Act, 2013 and Clause 49 of the Listing Agreement as amended from time to time.
- f. The appointment as recommended by the Nomination and Remuneration Committee further requires the approval of the Board.

2. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013 and rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons to be recorded in writing, removal of a director, KMP or senior management personnel, subject to the provisions and compliance of the Act, rules and regulations.

3. Remuneration

The level and composition of remuneration to be paid to the CMD/ Managing Director, Whole-Time Director(s), KMPs, Senior Management Personnel and other employees shall be reasonable and sufficient to attract, retain and motivate directors, KMPs, Senior Management and other employees of the company. The relationship of remuneration to performance should be clear and should encourage meeting of appropriate performance benchmarks. The remuneration may also involve a balance between fixed and incentive / performance related pay reflecting achievement of short and long-term performance objectives appropriate to the working of the company and meeting its goals.

i. Remuneration to Executive Directors, KMP's and Senior Management Personnel.

- a. Besides the above Criteria, The Executive Directors, KMPs and Senior Management Personnel shall be eligible for a remuneration/Commission/Bonus/Performance Related Pay/Incentive/ Fees, etc., as may be approved by the Board on the recommendation of the Committee and shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force as also by Company policy. The breakup of the pay scale and quantum of perquisites shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Director/KMPs in accordance with the provisions of Schedule V to the Companies Act, 2013 or prior approval of the Central Government as the case may be.
- c. The Chairman/Executive Director of the Company shall, as the case may be, decide the remuneration of KMP (other than Chairman / Whole time Director) and Senior Management based on the experience, qualification, expertise, standard market practice and prevailing HR policies of the Company.
- d. The Incentive pay, if any, shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

ii. Non – Executive Directors / Independent Directors:

- a. The Non-Executive / Independent Directors may receive sitting fees, travelling, accommodation and other expenses incidental thereto for attending meetings of Board or Committee thereof. Provided that the amount of fees and expenses, if any, shall be such as determined by the Board of Directors from time to time subject to provisions of the Companies Act, 2013 and rules made thereof.
- b. Remuneration /Commission, if applicable, may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
- c. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.

PART – B
Performance Evaluation

4. Framework for Performance Evaluation of Board, Committees & Independent Directors

The Board is committed to assessing its own performance as a Board (including Committees) in order to identify its strengths and areas in which it may improve its functioning. To that end, the Committee shall establish the following processes for evaluation of performance of Independent Director and the Board:

- i. Once a year, the Board will conduct a self-evaluation. The Chairperson will meet with the directors either collectively or separately, as he may deem fit, seeking input in relation to the performance of the Board, each Board Committee, other Whole time Directors and his own performance.
 - ii. The Chairperson will collect the input and provide an overview report for discussion by the Board.
 - iii. The Board as a whole will discuss and analyze the performance collectively of each director individually and its own performance during the year including suggestions for change or improvement, as well as any skills, education or development required over the forthcoming year.
 - iv. The Board / Independent Directors shall be asked to complete the evaluation forms (As designed by the Committee from time to time) and submit the same to the Chairman.
4. In terms of Section 134 of the Act, the Directors' Report should include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

PART C

Framework for Separate meeting of Independent Directors

5. As required by the provisions of Schedule IV to the Act and the provisions of Clause 49, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.

The meeting shall:

- (a) Review the performance of Non-independent Directors and the Board as a whole;
- (b) Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors;
- (c) Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

This meeting could be held prior or after the Board Meeting. The Independent Directors are free to call such meeting at any point of time, as desired.

PART D

6. Familiarisation Programme for Independent Directors

- i. As required by the provisions of Schedule IV to the Act and the provisions of Clause 49, the Company is required to develop a Familiarisation Programme for the Independent Directors of the Company.
- ii. The Company will impart Familiarisation Programmes for new Independent Directors inducted on the Board of the Company.
- iii. The Independent Directors are afforded every opportunity to familiarize themselves with the Company, its management and its operations and above all the Industry perspective & issues. They are made to interact with senior management personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part which enable the Directors to contribute significantly to the Company. The Familiarisation Programme of the Company will provide information relating to the Company, IT industry, business model of the Company, geographies in which Company operates, etc. The programme also intends to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company.
- iv. The Familiarisation Programme comprises a detailed overview of the business verticals of the Company and meetings with business heads / senior leadership team, and with the Chairman, at which time; the Independent Director is familiarized with various aspects of the Company's business verticals including the industries in which such businesses operate.
- v. The Program will be reviewed and changes made as and when deemed necessary.

PART E

7. Policy on Board Diversity

- a) This Policy on Board Diversity (the "Policy") forms part of Performance Evaluation and Remuneration Policy and it sets out the Company's approach to ensuring adequate diversity in its Board of Directors (the "Board") and is devised by Nomination and Remuneration Committee (the "Committee") of the Board.
- b) The Policy applies to the Board of Cambridge Technology Enterprises Limited (the "Company"). It does not apply to employees generally.
- c) The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates. It is recognized that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions amongst Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. At a minimum, the Board of the Company shall consist of at least one woman Director. All Board appointments are made on merit, in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole requires to be effective.
- d) The Board and the Committee will review this Policy on a regular basis to ensure its effectiveness and also in compliance with the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

**AN
ACCOUNT
OF OUR
PERFORMANCE**

Independent Auditors' Report

To
The Members of
Cambridge Technology Enterprises Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Cambridge Technology Enterprises Limited (hereinafter referred to as "the Holding Company") and its subsidiaries Cambridge Technology Inc., USA, Cambridge Technology Investments Pte Ltd., Singapore, Cambridge Innovations Capital LLC, USA and Cambridge Innovations Private Limited, India (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of the subsidiaries, Cambridge Technology Inc., USA Cambridge Technology Investments Pte Ltd., Singapore, Cambridge Innovations Capital, LLC., USA and Cambridge Innovations Private Limited, India whose financial statements reflect total assets of Rs 4655.93 Lakhs, as at 31st March, 2017, total revenues of Rs. 9467.26 Lakhs, and net cash flows (decrease) amounting to Rs. 700.15 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statements of Cambridge Technology Investments Pte Ltd., Singapore and Cambridge Innovations Private Limited, India have been audited by other auditors whose reports have been furnished to us by the Management and the financial statements of Cambridge Technology Inc., USA and Cambridge Innovations Capital, LLC., USA have not been audited and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors/management of the company.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “Annexure A”
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group – Refer Note 25 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.
 - iv. The Holding Company and its subsidiary company incorporated in India have provided requisite disclosures in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Holding Company and its subsidiary company incorporated in India and as produced to us by the management of the Holding Company. Refer Note 30 to the consolidated financial statements.

For M. Anandam & Co.
Chartered Accountants
(Firm's Registration No. 000125S)

M. V. Ranganath
Partner
Membership No. 028031

Place: Hyderabad

Date: 24.05.2017

Annexure - A to the Auditors' Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2017, we have audited the internal financial controls over financial reporting of Cambridge Technology Enterprises Limited ("the Holding Company") and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its Subsidiary Company, which is a company incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to standalone financial statements of one subsidiary, which is a company incorporated in India, is based on the corresponding report of the auditor of such company.

For M. Anandam & Co.
Chartered Accountants
(Firm's Registration No. 000125S)

M. V. Ranganath
Partner
Membership No. 028031

Place: Hyderabad
Date: 24.05.2017

Consolidated Balance Sheet as at 31st March, 2017

(Amount in INR)

Particulars	Note No.	As at	
		31/03/2017	31/03/2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2	196,310,150	196,310,150
(b) Reserves and surplus	3	256,901,908	191,581,913
(2) Non-Current Liabilities			
(a) Long term borrowings	4	583,251	2,763,139
(b) Deferred tax liabilities (net)	5	14,466,736	-
(c) Other long term liabilities	6	32,343	4,659,370
(d) Long term provisions	7	11,652,687	9,297,848
(3) Current Liabilities			
(a) Short-term borrowings	8	121,452,686	62,087,736
(b) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	9	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		119,459,467	43,583,814
(c) Other current liabilities	10	99,734,548	21,100,859
(d) Short-term provisions	11	18,764,663	4,541,267
Total		839,358,439	535,926,097
II. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	12	6,873,873	11,985,562
(b) Goodwill		-	73,285,504
(c) Other intangible assets		79,222,104	104,773,871
(d) Non-current investments	13	413,081,882	73,591,321
(e) Deferred tax assets (net)	5	-	18,385,011
(f) Long term loans & advances	14	17,125,384	18,418,631
(2) Amount recoverable from ESOP Trust		11,900,000	11,900,000
(3) Current assets			
(a) Trade receivables	15	145,198,156	88,592,022
(b) Cash and bank balances	16	25,605,390	36,012,402
(c) Short-term loans and advances	17	65,765,493	34,898,206
(d) Other current assets	18	74,586,157	64,083,567
Total		839,358,439	535,926,097
Significant Accounting Policies	1		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For M. Anandam & Co.,
Chartered Accountants

For and on behalf of the Board

M.V. Ranganath
Partner
Membership No. 028031

Aashish Kalra **D.R.R. Swaroop**
Chairman & CEO Wholetime Director

T.V.Siva Prasad
CFO & Company Secretary

Place: Hyderabad
Date : 24-05-2017

Consolidated Statement of Profit and Loss for the year ended 31st March, 2017

(Amount in INR)

Particulars	Note No.	Year ended	
		31/03/2017	31/03/2016
I. Revenue from operations	19	1,006,035,647	658,249,197
II. Other Income	20	12,729,407	13,914,091
III. Total Revenue (I +II)		1,018,765,054	672,163,288
IV. Expenses:			
Purchase of stock in trade		49,072,293	31,540,684
Employee benefits expense	21	418,642,344	340,725,252
Finance Cost	22	13,339,523	4,927,378
Depreciation and amortization expense	12	37,912,409	57,827,537
Other Expenses	23	317,779,234	171,694,317
Total Expenses		836,745,803	606,715,168
V. Profit before tax and exceptional items (III - IV)		182,019,251	65,448,120
VI. Exceptional items	32	(24,428,498)	-
VII. Profit after exceptional items (V - VI)		206,447,749	65,448,120
VIII. Tax expense:			
(1) Current tax		20,463,280	(654,569)
Less: Mat Credit entitlement		(16,194,052)	(6,320,874)
Net Current tax		4,269,228	(6,975,443)
(2) Earlier year's tax		105,501	84,903
(3) Deferred tax		33,242,747	(18,230,807)
IX. Profit for the year (V - VI)		168,830,273	90,569,467
X. Earnings per equity share:	24		
(1) Basic		8.60	4.61
(2) Diluted		8.60	4.61
Significant Accounting Policies	1		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For M. Anandam & Co.,
Chartered Accountants

For and on behalf of the Board

M.V. Ranganath
Partner
Membership No. 028031

Aashish Kalra
Chairman & CEO

D.R.R. Swaroop
Wholetime Director

Place: Hyderabad
Date : 24-05-2017

T.V.Siva Prasad
CFO & Company Secretary

Consolidated Cashflow Statement for the year ended 31st March, 2017

Particulars	Year ended	
	31/03/2017	31/03/2016
A. Cash Flow from Operating Activities		
Net Profit before tax and exceptional items	182,019,251	65,448,120
Adjustment for :		
Depreciation & Amortization	37,912,409	57,827,537
Loss on sale of Assets (Net)	155,813	4,750
Foreign Exchange Translation	(15,528,617)	8,066,579
Impairment of Investment	19,396	-
Consolidation adjustment	9,341,345	-
Interest expense	9,474,546	1,596,159
Operating profit before working capital changes	223,394,142	132,943,145
Adjustment for:		
Changes in Trade Payables	75,875,653	14,883,116
Changes in Other Current Liabilities	76,086,843	10,625,041
Change in Provisions	16,578,234	2,560,035
Change in other current assets	(10,502,591)	(32,556,418)
Change in Trade receivables	(56,606,134)	(15,571,799)
Change in Short-term loans and advances	(29,534,438)	(14,702,049)
Cash generated from operations	295,291,710	98,181,070
Income tax (paid)/ refunded	(4,414,331)	-
Net cash from operating activities	A 290,877,379.33	98,181,070
B. Cash Flow from Investing Activities		
Sale of Fixed Assets	540,249	148,750
Purchase of Fixed Assets	(11,640,432)	(91,600,641)
Sale/(Purchase) of Investments	(339,509,956)	(73,591,321)
Net cash used in investing activities	B (350,610,139)	(165,043,212)
C. Cash Flows from Financing Activities		
Interest Expense	(9,474,546)	(1,596,159)
Proceeds from short term borrowings	59,364,950	62,087,736
Proceeds from/ (Repayment of) long term borrowings	(564,658)	2,763,139
Net cash used from financing activities	C 49,325,747	63,254,716
Net change in cash and cash equivalents (A+B+C)	(10,407,013)	(3,607,425)
Cash and cash equivalents at the beginning of year	36,012,402	39,619,827
Cash and cash equivalents at the end of year	25,605,389	36,012,402

Notes :-

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".

As per our report of even date

For M. Anandam & Co.,
Chartered Accountants

For and on behalf of the Board

M.V. Ranganath
Partner
Membership No. 028031

Aashish Kalra **D.R.R. Swaroop**
Chairman & CEO Wholtime Director

T.V.Siva Prasad
CFO & Company Secretary

Place: Hyderabad
Date : 24-05-2017

Notes to Consolidated Financial Statements

Note 2: Share capital

Particulars	31-Mar-17	31-Mar-16
(a) Authorised Share Capital 3,00,00,000 equity shares of Rs.10 each (Previous year : 3,00,00,000 equity shares of Rs.10 each)	300,000,000	300,000,000
(b) Issued, Subscribed & Fully Paid Up Share Capital 1,96,31,015 equity shares of Rs.10 each, fully paid up (Previous year : 1,96,31,015 equity shares of Rs.10 each, fully paid up)	196,310,150	196,310,150
Total	196,310,150	196,310,150
Reconciliation of the number of shares: Balance at the beginning of the year	19,631,015	19,631,015
Add: Issued during the year	-	-
Balance at the end of the year	19,631,015	19,631,015

Details of Shareholders holding more than 5% shares :

Name of the Shareholder	31-Mar-17		31-Mar-16	
	No. of shares	% Holding	No. of shares	% Holding
1. Cloud Computing LLC	9,209,693	46.91	9,209,693	46.91
2. SmartShift AG	2,030,600	10.34	2,056,600	10.48

Rights attached to Equity shares:

The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

Note 3 : Reserves and surplus

Particulars	31-Mar-17	31-Mar-16
(a) Capital Redemption Reserve	499,000	499,000
(b) Securities Premium Account		
Opening Balance	225,215,586	225,215,586
Less: Adjustment of unamortised Goodwill (Refer Note 3.1)	(225,215,586)	
Closing balance	-	225,215,586
(c) Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	(41,701,851)	(132,271,318)
Add: Adjustment of accumulated losses (Refer Note 3.1)	127,501,576	-
Add: Adjustment on consolidation	9,341,345	-
Add: Net Profit transferred from the Statement of Profit & Loss	168,830,273	90,569,467
Closing Balance	263,971,343	(41,701,851)
(d) Foreign Currency Translation Reserve		
Opening Balance	7,569,178	7,569,178
Add: Deletions during the year	(15,137,613)	-
Closing Balance	(7,568,435)	7,569,178
Total	256,901,908	191,581,913

Note 3.1 During the year, the Hon'ble High Court of Judicature at Hyderabad has approved the Scheme of Reduction of Capital. Accordingly, accumulated losses and unamortised Goodwill as on 31st March, 2016 is adjusted against balance of Securities Premium Account.

Notes to Consolidated Financial Statements**Note 4 : Long term borrowings**

Particulars	31-Mar-17	31-Mar-16
Secured		
From Other Parties		
a) Vehicle loan	-	2,763,139
Unsecured		
a) From other parties	583,251	-
Total	583,251	2,763,139

Note.4.1: Vehicle loan from BMW Financial Services is secured by hypothecation of vehicle. Repayment consists of equated monthly instalments of USD 510 for 27 months. Unsecured loan from other parties represents loan taken from Bajaj Finance Ltd., repayable in 18 equated monthly instalments from January 2017 at interest rate of 18.5% p.a.

Note 5 : Deferred tax liabilities (Net)

Particulars	31-Mar-17	31-Mar-16
a) Deferred Tax Liabilities		
Opening Balance	27,964,230	21,232,177
Add: On account of depreciation	6,758,655	6,732,053
Total Deferred tax Liabilities	34,722,885	27,964,230
b) Deferred tax assets		
Opening Balance	46,349,241	21,474,680
Add: On account of depreciation	506,930	72,387
On account of Income tax losses	(27,438,818)	23,955,750
On account of Provision for employee benefits	1,300,206	2,109,691
Less: Reversal on account of payment of employee benefits	(461,410)	(1,263,266)
Total Deferred tax Assets	20,256,149	46,349,241
Net Deferred tax (assets) / liabilities	14,466,736	(18,385,011)

Note 6 :Other long term liabilities

Particulars	31-Mar-17	31-Mar-16
Others		
Rental deposit	32,343	4,659,370
Total	32,343	4,659,370

Note 7 : Long term provisions

Particulars	31-Mar-17	31-Mar-16
Provision for employee benefits		
(i) Gratuity	10,003,026	8,181,142
(ii) Leave encashment	1,649,661	1,116,706
Total	11,652,687	9,297,848

Notes to Consolidated Financial Statements**Note 8 : Short-term borrowings**

Particulars	31-Mar-17	31-Mar-16
Secured Loans		
a) From Banks	14,401,167	-
b) From Other parties	107,051,520	62,087,736
Total	121,452,686	62,087,736

Note.8.1: Loan from banks represents Overdraft facility availed from Kotak Mahindra Bank Limited at 11% interest p.a. This loan is secured by Fixed Deposit of the Company.

Note.8.2: Loan from other parties represents factoring arrangement from LSQ, New York, secured against Accounts receivables at 4.25% interest p.a. and loan from Worldwide Technology Investment Pte Ltd at 12% interest p.a which is repayable after 6 months.

Note 9 : Trade payables

Particulars	31-Mar-17	31-Mar-16
a) Dues to Micro & Small Enterprises	-	-
b) Dues to Others		
(i) For services	111,869,870	42,285,431
(ii) For stock in trade	7,589,597	1,298,383
Total	119,459,467	43,583,814

Note.9.1: There are no transactions with Micro and Small enterprises, hence disclosures are not given as required under MSMED Act, 2006.

Note 10 : Other current liabilities

Particulars	31-Mar-17	31-Mar-16
a) Current maturities of long term debt	2,021,400	406,170
b) Other Payables		
(i) Advance from customers	19,889,637	552,005
(ii) Statutory dues	3,037,391	3,304,095
(iii) Employee benefits payable	35,453,883	16,354,902
(iv) Others	39,332,237	483,687
Total	99,734,548	21,100,859

Note 11 : Short term provisions

Particulars	31-Mar-17	31-Mar-16
(a) Provision for employee benefits		
(i) Gratuity	351,655	282,159
(ii) Leave encashment	295,907	183,280
(b) Provision for Income tax (net of advance tax)	18,117,101	4,075,828
Total	18,764,663	4,541,267

Notes to Consolidated Financial Statements

Note No: 12

FIXED ASSETS :

(Amount in INR)

S. No.	Name of Asset	Gross Block					Depreciation					Net Block	
		As at 01.04.2016	Additions	Dele-tions	Adjust-ments	As at 31.03.2017	Up to 01.04.2016	For the year	Dele-tions	Adjust-ments	As at 31.03.2017	As at 31.03.2016	
a)	Property, Plant and Equipment												
1	Plant & Machinery	4,663,932	-	3,688,634	84,764	890,534	1,357,073	707,406	1,484,247	(9,608)	589,840	300,694	3,295,863
2	Electrical Fittings	85,690	-	-	-	85,690	61,078	7,773	-	-	68,851	16,839	24,612
3	Furniture & Fixtures	2,001,976	177,117	125,000	2,088	2,052,006	1,352,867	213,177	90,257	2,224	1,473,564	578,442	639,702
4	Computers	21,852,026	1,906,770	1,027,092	6,954	22,724,750	20,282,042	1,552,941	457,504	9,048	21,368,430	1,356,320	1,563,970
5	Server & Networking	6,123,713	384,893	1,834,635	71,463	4,602,508	3,491,375	1,969,580	1,742,904	83,937	3,634,114	968,394	2,632,340
6	Office Equipment	4,798,969	1,163,325	-	953	5,961,341	3,870,287	737,742	-	1,660	4,606,370	1,354,971	943,381
7	Leasehold Improvement	4,407,537	568,828	-	-	4,976,365	1,521,842	1,156,335	-	-	2,678,177	2,298,189	2,885,695
	Total	43,933,844	4,200,933	6,675,361	166,222	41,293,194	31,936,565	6,344,954	3,774,912	87,261	34,419,345	6,873,873	11,985,562
b)	Goodwill	122,142,503	-	97,714,002	-	24,428,501	48,856,999	-	24,428,498	-	24,428,501	-	73,285,504
	Total	122,142,503	-	97,714,002	-	24,428,501	48,856,999	-	24,428,498	-	24,428,501	-	73,285,504
c)	Other Intangible Assets												
1	Software Licenses	41,175,944	7,439,499	-	-	48,615,443	37,394,588	6,033,004	-	-	43,427,592	5,187,851	3,781,356
2	Assignment Rights	126,225,990	-	-	2,835,470	123,390,520	25,245,195	25,534,454	-	1,423,441	49,356,208	74,034,253	100,992,514
	Total	167,401,934	7,439,499	-	2,835,470	172,005,963	62,639,784	31,567,458	-	1,423,441	92,783,800	79,222,104	104,773,870
	Total	333,478,281	11,640,432	104,389,363	3,001,692	237,727,658	143,433,348	37,912,411	28,203,410	1,510,702	151,631,646	86,095,977	190,044,937
	Previous Year	239,325,729	91,600,641	509,738	3,061,649	333,478,281	85,605,356	57,827,537	356,237	356,237	143,432,892	190,044,937	153,720,372

Notes to Consolidated Financial Statements

Note 13 : Non-Current Investments

Particulars	31-Mar-17	31-Mar-16
a) Investment in Equity Shares		
Unquoted Non Trade Investments:		
In Wholly owned subsidiaries		
Cambridge Bizserve Pvt. Ltd. (10,000 equity shares of Rs.10 each, fully paid up) (Previous year : 10,000 equity shares of Rs.10 each, fully paid up)	100,000	100,000
Others		
Cambridge Innovations Pte Ltd. (100 equity share of SGD 1 each, fully paid up) (Previous year : 100 equity share of SGD 1 each, fully paid up) Less: Provision for impairment	4,890 (4,890)	4,867 -
	-	-
Cloud Computing Global Pte Ltd. (100 equity share of SGD 1 each, fully paid up) (Previous year : 100 equity share of SGD 1 each, fully paid up) Less: Provision for impairment	4,890 (4,890)	4,867 -
	-	-
India Energy Partners 21 Pte Ltd. (100 equity share of SGD 1 each, fully paid up) (Previous year : 100 equity share of SGD 1 each, fully paid up) Less: Provision for impairment	4,890 (4,890)	4,867 -
	-	-
Kupfer Management Pte Ltd. (100 equity share of SGD 1 each, fully paid up) (Previous year : 100 equity share of SGD 1 each, fully paid up) Less: Provision for impairment	4,890 (4,890)	4,867 -
	-	-
Worldwide Technology Investments Pte Ltd. (Nil) (Previous year :100 equity share of SGD 1 each, fully paid up)	-	4,867
b) Investment in Preference Shares		
Unquoted Non Trade Investments:		
Anthill Startups Advisory Pvt Ltd (250 preference shares of Rs.10 each, fully paid up) (Previous year : 250 preference shares of Rs.10 each, fully paid up)	1,500,000	1,500,000
c) Other non current Investments		
Authess Inc (126,089 preferred stock of USD 0.001 each par value) (Previous year :1 convertible promissory note for USD 1,00,000 with Interest rate of 4%)	11,152,480	6,570,414
Causemo Inc (1,50,000 Series A preferred stock of USD 0.01 each par value) (Previous year :1,50,000 Series A preferred stock of USD.0.01 each par value)	9,726,000	10,227,024
Roadzen Inc (44,400 Series A1 convertible preferred stock of USD 0.0001 each par value and convertible promissory notes of USD 12,50,000 with Interest rate of 5%) (Previous year :44,400 Series A1 convertible preferred stock of USD 0.0001 each par value)	85,368,344	4,595,975
Drivn Technologies Inc (44,480 Series A convertible preferred stock of USD 0.0001 each par value) (Previous year :44,480 Series A convertible preferred stock of USD 0.0001 each par value)	5,407,656	5,755,320

Notes to Consolidated Financial Statements

Particulars	31-Mar-17	31-Mar-16
MyCrowd Inc (Convertible promissory note for USD 2,50,000 with Interest rate of 6%) (Previous year : Convertible promissory note for USD 2,50,000 with Interest rate of 6%)	16,210,000	17,527,528
PhotoKharma Inc (Convertible promissory note for USD 5,000 with Interest rate of 5%) (Previous year : Convertible promissory note for USD 5,000 with Interest rate of 5%)	324,200	343,518
Ourly.help Inc (earlier known as Opprtuna Inc) (Convertible promissory notes for USD 3,50,000 with Interest rate of 6%) (Previous year : Convertible promissory note for USD 2,50,000 with Interest rate of 6%)	22,694,000	16,795,287
Prometheus Labs Inc (Convertible promissory notes for USD 4,00,000) (Previous year : Convertible promissory note for USD 1,50,000)	25,936,000	10,151,921
Adar Health LLC (Convertible promissory note for USD 10,00,000) (Previous year :Nil)	64,840,000	-
Anthill Capital Pte Ltd (3,866 ordinary shares of each USD 0.03 par value) (Previous year :Nil)	7,242	-
EasyKnock Inc (Convertible promissory note for USD 2,50,000 with 5% Interest rate) (Previous year :Nil)	16,210,000	-
Enerallies Inc (Convertible promissory note for USD 5,00,000 with 5% Interest rate) (Previous year :Nil)	32,420,000	-
Kovid Inc (1,88,679 common stock of face value USD 1 per share) (Previous year :Nil)	32,420,000	-
The Goat Factory LLC (Convertible promissory note for USD 12,49,000) (Previous year :Nil)	80,985,160	-
ComplyGlobal Pte Ltd (Convertible promissory note for USD 1,20,000) (Previous year :Nil)	7,780,800	-
Total	413,081,882	73,591,321
Aggregate amount of unquoted investments	413,081,882	73,591,321
Aggregate provision for diminution in value of investments	19,560	-

Notes to Consolidated Financial Statements**Note 14 : Long term loans and advances**

Particulars	31-Mar-17	31-Mar-16
(Unsecured, Considered good)		
a) Rental Deposits	14,037,224	11,793,525
b) Deposit with statutory authorities	2,500,000	2,500,000
c) Others	588,160	4,125,106
Total	17,125,384	18,418,631

Note 14.1 Deposits with Statutory Authorities represents amount paid under protest against Service Tax.

Note 15 : Trade receivables

Particulars	31-Mar-17	31-Mar-16
(Unsecured, Considered Good)		
a) Outstanding for a period exceeding six months from the date they are due for payment		
i) Unsecured, Considered Good	26,191,268	13,566,517
ii) Doubtful	6,319,073	-
Less: Allowance for bad and doubtful debts	(6,319,073)	-
	-	-
b) Others		
i) Unsecured, Considered Good	145,198,156	88,592,022
Total	145,198,156	88,592,022

Note 16 : Cash and bank balances

Particulars	31-Mar-17	31-Mar-16
a) Cash and Bank Balances		
(i) Cash on hand	11,374	25,804
(ii) Balances with Bank		
- Current Accounts	3,061,680	20,215,139
- Deposit Accounts	-	2,000,000
b) Other Bank balances		
(i) Fixed Deposits	22,532,336	13,771,460
Total	25,605,390	36,012,402

Note 16.1: Fixed Deposits include Deposits against Bank Guarantees - Rs. 103.64 lacs (Previous Year - Rs.125.20lacs), Deposits against borrowings - Rs.90 lacs (Previous Year - Nil) and Deposits against Forward Contracts - Rs.30 lacs (Previous Year - Rs.11.01 lacs) and Deposit with Customs Dept. Rs.1.68 lacs (Previous Year - Rs.1.50 lacs).

Notes to the Consolidated Financial Statements**Note 17 : Short term loans and advances**

Particulars	31-Mar-17	31-Mar-16
a) Advances to Employees	1,497,261	339,135
b) TDS Receivable (net of provision for tax)	12,467,904	12,085,268
c) Prepaid Expenses	6,948,974	6,574,874
d) MAT Credit Entitlement	24,962,186	8,768,133
e) Input Tax Receivable	5,150,540	3,033,698
f) Advance to Subsidiary companies	953,459	-
Less: Provision for impairment	(953,459)	-
	-	-
g) Others	14,738,627	4,097,097
Total	65,765,493	34,898,206

Note 18 : Other current assets

Particulars	31-Mar-17	31-Mar-16
a) Unbilled Revenue	69,506,725	53,458,033
b) Accrued interest on fixed deposits	220,728	715,107
c) Others	4,858,705	9,910,427
Total	74,586,157	64,083,567

Notes to Consolidated Financial Statements

(Amount in INR)

Note 19 : Revenue From Operations

Particulars	31-Mar-17	31-Mar-16
Revenue from operations		
(a) Sale of Services - Software Services	953,966,672	625,266,010
(b) Sale of Traded goods - Software Licenses	52,068,975	32,983,187
Total	1,006,035,647	658,249,197

Note 20 : Other Income

Particulars	31-Mar-17	31-Mar-16
(a) Interest on Deposits	2,981,791	3,008,255
(b) Foreign Exchange gain (Net)	995,123	1,662,023
(c) Miscellaneous Income	8,752,493	9,243,813
Total	12,729,407	13,914,091

Note 21 : Employee Benefits Expense

Particulars	31-Mar-17	31-Mar-16
(a) Salaries and bonus	362,350,156	294,244,492
(b) Contribution to Provident fund	8,098,964	6,978,413
(c) Gratuity and Leave encashment expenses	15,720,359	11,224,324
(d) Staff Welfare Expenses	32,472,865	28,278,023
Total	418,642,344	340,725,252

Note 22 : Finance Cost

Particulars	31-Mar-17	31-Mar-16
(a) Interest expense	9,362,086	1,596,159
(b) Factoring Commission	3,864,977	3,331,219
(c) Other borrowing costs	112,460	-
Total	13,339,523	4,927,378

Note 23 : Other Expenses

Particulars	31-Mar-17	31-Mar-16
(a) Power & Fuel	3,847,054	2,455,381
(b) Rent of office premises	23,174,096	20,551,461
(c) Rent of computer equipment	12,160,994	10,450,211
(d) Insurance	2,093,292	2,485,075
(e) Subscriptions and Membership fee	4,492,551	5,316,200
(f) Communication Expense	11,527,300	4,870,664
(g) Office Maintenance	12,438,552	7,660,769
(h) Repairs and Maintenance	742,588	611,729
(i) Traveling and Conveyance	30,516,952	25,693,837
(j) Directors Sitting Fee	280,000	500,000
(k) Professional fees	55,332,705	34,774,044
(l) Sub contract charges	124,629,962	48,228,091
(m) Payment to Auditors	1,696,259	1,467,911
(n) Rates and Taxes	868,563	330,706
(o) Loss on sale of assets (Net)	155,813	4,750
(p) Provision for impairment of other receivables	953,459	-
(q) Provision for Diminution in fair value of investments	9,360,741	-
(r) Exchange Fluctuation Loss	3,549,951	-
(s) Bad Debts written off	8,336,957	1,316,707
(t) Provision for Bad Debts	6,319,073	-
(u) Miscellaneous Expenses	5,302,371	4,976,780
Total	317,779,234	171,694,317

Note 24 : Basic and Diluted Earnings per share :

Particulars	31-Mar-17	31-Mar-16
Earnings per share has been computed as under:		
a) Net Profit after tax attributable to shareholders	168,830,273	90,569,467
b) Weighted Average Number of Equity Shares	19,631,015	19,631,015
c) Basic and Diluted Earnings per share (a)/(b)	8.60	4.61
d) Face Value per equity share	10	10

Note 25 : Contingent Liabilities and Commitments

Particulars	31-Mar-17	31-Mar-16
(I) Contingent Liabilities		
(A) Claims against the company/ disputed liabilities not acknowledged as debts :		
- Service Tax	32,576,183	32,576,183
- Income Tax	79,339,808	35,782,694
(II) Commitments	-	-

Note 26: Segment Reporting

The company has only one reportable segment viz., Software Development Services. Hence, segment reporting as per AS-17 is not given.

Note 27: Related Party disclosures as per AS-18 read with the Companies Act, 2013**(i) Names of related parties and description of their relationship:****1. Key Managerial Personnel (KMP)**

Mr. D.R.R Swaroop	Whole Time Director
Mr. Aashish Kalra	CEO & Whole Time Director
Mr. T. V. Siva Prasad	CFO & Company Secretary

2. Non-whole time Directors

Mr. Motaparthi Venkateswara Rao Kasi	Independent Director
Mr. B.Muralidhar	Independent Director
Mrs. K. Jaya Lakshmi Kumari	Independent Director
Mr. Stefan Hetges	Non-Executive Director

3. Subsidiary Companies

Cambridge Bizserve Pvt. Ltd., India
Cambridge Innovations Pte Ltd.
Cloud Computing Global Pte Ltd.
India Energy Partners 21 Pte Ltd.
Kupfer Management Pte Ltd.

4. Enterprises in which KMP has control / significant influence

Smartshift Technologies Inc. (Formerly Cambridge Technology Enterprises Inc)	Mr. Stefan Hetges
D.S. Unics Infotech Ltd.	Mr. D. R. R Swaroop
Worldwide Technology Investments Pte Ltd	Mr. D. R. R Swaroop
	Mr. Aashish Kalra

(ii) Details of the related party transactions

Particulars	31-Mar-17	31-Mar-16
a) Key managerial personnel		
Remuneration		
Mr. Aashish Kalra	5,199,475	-
Mr. D.R.R Swaroop	2,500,001	2,500,001
Mr. T. V. Siva Prasad	1,997,834	1,255,797
Sale of Investment		
Mr. Aashish Kalra	4,643	
b) Non-whole time Directors		
Sitting Fee		
Mr. Motaparthy Venkateswara Rao Kasi	110,000	200,000
Mr. B.Muralidhar	110,000	190,000
Mrs. K. Jaya Lakshmi Kumari	60,000	110,000
c) Subsidiaries		
Cambridge Bizserve Pvt. Ltd., India		
Equity Investment	-	100,000
Expenses Reimbursement (net)	3,600	26,370
Expenses Receivable	29,970	26,370
Cambridge Innovations Pte Ltd.		
Expenses Receivable	166,369	-
Cloud Computing Global Pte Ltd.		
Expenses Receivable	397,279	-
India Energy Partners 21 Pte Ltd.		
Expenses Receivable	166,369	-
Kupfer Management Pte Ltd.		
Expenses Receivable	223,442	-
d) Enterprises in which KMP has significant influence		
Worldwide Technology Investments Pte Ltd		
Loan taken during the year	89,262,548	-
Loan repayable	89,262,548	-
Interest payable	5,095,270	

Note 28: During the financial year 2012-13, the Company has written-off the trade receivables amounting to Rs. 21, 48, 81,750/- , due from erstwhile wholly owned step down subsidiary M/s Smartshift Technologies Inc, USA (earlier known as Cambridge Technology Enterprises Inc. USA) and the company has also sold shares of its erstwhile subsidiary M/s SmartShift Group Limited, Mauritius (formerly Cambridge Technology Enterprises – Mauritius Limited) amounting to Rs. 27,42,60,626/- at nil consideration. The Company has made an application to RBI through an authorized dealer for the approval and ratification of the same which is pending.

With reference to the above matters, the Company has submitted replies to the queries raised by RBI on 30th June, 2016.

Note 29: Notes on ESOP Schemes**CTEL ESOP 2006**

The 2006 Plan was approved by the Board of Directors on April 13, 2006 and by the shareholders on April 21, 2006, and further amended by the Shareholders on September 7, 2015 under which scheme 1,236,542 options were granted till date of 31st March, 2017.

2006 Scheme

	2017		2016	
	Number of shares	Weighted Average Exercise price	Number of shares	Weighted Average Exercise price
Options outstanding at the beginning of the period	Nil	Nil	43,953	20.12
Granted during the year	Nil	Nil	Nil	Nil
Forfeited and Lapsed during the year	Nil	Nil	Nil	Nil
Exercised during the year	Nil	Nil	43,953	20.12
Expired during the year	Nil	Nil	Nil	Nil
Options Outstanding at the end of the year	Nil	Nil	Nil	Nil
Options exercisable at the end of the year	Nil	Nil	Nil	Nil
Range of Exercise price for stock options outstanding at the end of the year	Nil	Nil	Nil	Nil

Note: For Stock Options exercised during the year 2015-16, the weighted average share price is Rs. 82.35/-.

CTEL ESOP SCHEME 2008

The 2008 Plan was approved by the Board of Directors on March 20, 2008 and by the shareholders through postal ballot results of which was declared on March 5, 2008, and further amended by the Shareholders on September 7, 2015 under which scheme 1,500,000 options were granted till date of 31st March, 2017.

2008 Scheme

	2017		2016	
	Number of shares	Weighted Average Exercise price	Number of shares	Weighted Average Exercise price
Options outstanding at the beginning of the period	2,000	25.90	38,234	24.61
Granted during the year	Nil	Nil	Nil	Nil
Forfeited and Lapsed during the year	Nil	Nil	Nil	Nil
Exercised during the year	1000	25.90	36,234	24.53
Expired during the year	Nil	Nil	Nil	Nil
Options Outstanding at the end of the year	1,000	25.90	2000	25.90
Options exercisable at the end of the year	1,000	25.90	2000	25.90
Range of Exercise price for stock options outstanding at the end of the year	1000	25.90	2000	25.90

Note: For Stock Options exercised during the year 2016-17, the weighted average share price is Rs. 89.76/- and for Stock Options exercised during the year 2015-16, the weighted average share price is Rs. 79.22/-.

CTEL ESOP SCHEME 2011

The 2011 Plan was approved by the Board of Directors on December 10, 2010 and by the shareholders through postal ballot results of which was declared on January 24, 2011 and further amended by the Shareholders on September 7, 2015 under which scheme 8,82,100 options were granted till date of 31st March, 2017.

2011 Scheme

	2017		2016	
	Number of shares	Weighted Average Exercise price	Number of shares	Weighted Average Exercise price
Options outstanding at the beginning of the period	238,100	38.00	50,000	17.00
Granted during the year	Nil	Nil	238100	38.00
Forfeited and Lapsed during the year	1,000	38.00	Nil	Nil
Exercised during the year	Nil	Nil	50,000	17.00
Expired during the year	Nil	Nil	Nil	Nil
Options Outstanding at the end of the year	237100	38.00	238100	38.00
Options exercisable at the end of the year	Nil	Nil	Nil	Nil
Range of Exercise price for stock options outstanding at the end of the year	237100	38.00	238100	38.00

Note:

- For Stock Options exercised during the year 2015-16, the weighted average share price is Rs. 54.42/-.
- For Stock Options outstanding as on 31.03.2017, the remaining contractual life is approximately 6 years & 3 Months.

ESOS - 2015

The Employee Stock Option Scheme - 2015 was approved by the Board of Directors on 29th April, 2015 and by the shareholders through postal ballot results of which was declared on June 1, 2015 under which scheme 2,18,500 options were granted till date of 31st March, 2017.

2015 Scheme

	2017		2016	
	Number of shares	Weighted Average Exercise price	Number of shares	Weighted Average Exercise price
Options outstanding at the beginning of the period	218,500	Nil	Nil	Nil
Granted during the year	Nil	Nil	218500	80.00
Forfeited and Lapsed during the year	65,000	80.00	Nil	Nil
Exercised during the year	Nil	Nil	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil
Options Outstanding at the end of the year	153,500	80.00	218500	80.00
Options exercisable at the end of the year	Nil	Nil	Nil	Nil
Range of Exercise price for stock options outstanding at the end of the year	153,500	80.00	218,500	80.00

Note:

- For Stock Options outstanding as on 31.03.2017, the remaining contractual life is approximately 7 years.

Note: 30 As per MCA Notification G.S.R.308 (E) dated 30.03.2017, the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are given below :

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	-	10,307	10,307
(+) Permitted Receipts	-	209,240	209,240
(-) Permitted Payments	-	194,913	194,913
(-) Amount deposited in Banks	-	-	-
Closing Cash in Hand as on 30.12.2016	-	24,634	24,634

Note 31 : Additional information:

Name of the entity	Net Assets i.e. total assets minus total liabilities 2017		Share in profit or loss 2017	
Particulars	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
	1	2	3	4
Parent				
Cambridge Technology Enterprises Ltd	13.80	62,539,006	25.14	42,436,412
Subsidiaries				
India				
1. Cambridge Innovations Pvt. Ltd	2.23	10,090,000	(0.0)	(32,250)
Foreign				
1. Cambridge Technology Inc	12.22	55,390,715	87.35	147,473,648
2. Cambridge Technology Investments PTE Ltd	(10.12)	(45,871,417)	(5.27)	(8,895,072)
3. Cambridge Innovations Capital LLC	81.87	371,063,754	(7.2)	(12,152,465)

Note 32: Exceptional Items represent goodwill amortised during the year 2015-16 and reversed now on account of Scheme of Capital Reduction. (Refer Note 3)

Note 33 : Previous year's figures are regrouped/rearranged wherever considered necessary to conform to the current year figures.

As per our report of even date
For M. Anandam & Co.,
Chartered Accountants

For and on behalf of the Board

M.V. Ranganath
Partner
Membership No. 028031

Aashish Kalra
Chairman & CEO

D.R.R. Swaroop
Wholetime Director

Place: Hyderabad
Date : 24-05-2017

T.V.Siva Prasad
CFO & Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

(All amounts have been presented in Rupees unless otherwise specified)

Group overview

Cambridge Technology Enterprises Limited, 'the Holding Company' and its subsidiaries (collectively referred to as 'the Group') are primarily a global technology services and outsourcing Group dedicated to serving the midsize market enterprises and the midsize units of Global 2000 enterprises across the spectrum of business industries. The Group is recognised as a thought leader and innovator of comprehensive Service Oriented Architecture (SOA)-based enterprise transformation and integration solutions and services.

1. Significant accounting policies**1.1 Basis of preparation of financial statements**

The Consolidated Financial statements comprises the financial statements of Cambridge Technology Enterprises Limited ('the Holding Company') and its Subsidiaries (collectively known as the 'Group'). The consolidated financial statements have been prepared in line with Accounting Standard-21 "Consolidated Financial Statements" issued by ICAI, as prescribed u/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

- a) The financial statements of the Holding Company and its subsidiary companies are combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and unrealized profit/losses resulting from the same.
- b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- c) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Company.
- d) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- e) In case of foreign subsidiaries, being non-integral foreign operations, the exchange adjustments have been carried out on following basis, as per Accounting Standard 11 "Accounting for effects of changes in Foreign Exchange Rates".
- f) The summarized revenue and expense transaction at the year end reflected in profit and loss account of the foreign subsidiaries which are stated in the currency of their domicile are translated into Indian Rupees at average exchange rate prevailing during the year.
- g) All monetary and non-monetary items reflected in the balance sheet of the foreign subsidiaries are translated into Indian Rupees at the year end closing exchange rate.
- h) The resultant exchange gain/loss are disclosed as Foreign Exchange Translation Reserve in Reserves & Surplus.

Enterprises included in Consolidation :

Name of the company	Share holding/ Controlling interest	Place of incorporation
M/s Cambridge Technology Inc.	100%	USA
M/s Cambridge Technology Investments Pte Limited	100%	Singapore
M/s Cambridge Innovations Private Limited	100%	India
M/s Cambridge Innovations Capital LLC	100%	USA

Enterprises not included in Consolidation :

Name of the company	Share holding/ Controlling interest	Place of incorporation
M/s Cambridge Bizserve Pvt. Limited	100%	India
M/s Cambridge Innovations Pte Limited	100%	Singapore
M/s Cloud Computing Global Pte Limited	100%	Singapore
M/s India Energy Partners 21 Pte Limited	100%	Singapore
M/s Kupfer Management Pte Limited	100%	Singapore

1.2 Use of estimates

The preparation of the financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Actual results could differ from those estimates. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and intangible assets. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates.

1.3 Revenue recognition*Income from Software services and products*

Revenue from professional services consist primarily of revenue earned from services performed on a "time and material" basis. The related revenue is recognized as and when the services are performed. The Company also performs time bound fixed-price engagements, under which revenue is recognized using the percentage of completion method of accounting. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Amounts received or billed in advance of services performed are recorded as advance from customers/unearned revenue. Unbilled revenue, included in debtors, represents amounts recognized based on services performed in advance of billing in accordance with contract terms. Unearned revenue is calculated on the basis of the unutilized period of time at the Balance Sheet and represents revenue which is expected to be earned in future periods in respect of internet, e-mail services, electronic data interchange and web hosting services.

Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license, except in case of multiple element contracts requiring significant implementation services, where revenue is recognized as per the percentage of completion method.

Other income

Interest is recognized using the time-proportion method, based on rates implicit in the transaction.

1.4 Property, Plant and Equipment

Property, Plant and Equipment are stated at actual cost less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses incurred during the construction/installation stage.

Other Intangible assets

Other Intangible assets are recorded at consideration paid for acquisition and other direct costs that can be directly attributed, or allocated on a reasonable and consistent basis, to creating, producing and making the asset ready for its intended use.

1.5 Depreciation and Amortization

Depreciation on Property, Plant and Equipment is provided on the written down value method and at the useful life and in the manner specified in Schedule II of the Companies Act, 2013. For assets acquired or disposed off during the year, depreciation is provided on prorata basis.

Software used in development for projects are amortized over the license period or estimated useful life of two years, whichever is lower. Cost of internally developed software including the incidental costs is amortized over a period of five years.

Individual assets acquired for less than Rs.5,000/-are entirely depreciated in the year of acquisition. Leasehold improvements are depreciated over the remaining primary period of lease.

The cost of and the accumulated depreciation for Property, Plant and Equipment sold, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are included in the profit and loss account. Lease payments under operating lease are recognized as an expense in the profit and loss account. An impairment loss is recognized wherever the carrying amount of the fixed assets exceeds its recoverable amount.

1.6 Investments

Investments are either classified as current or long-term, based on the Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

1.7 Foreign Currency transactions and translation

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction (RBI rates). Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognized in the profit and loss account. Non-monetary assets and liabilities are translated at the rate prevailing on the date of transaction. The premium or discount arising at the inception of forward contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit & loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such contract is recognized as income or as expense for the period.

1.8 Employee Stock Option Scheme

Stock options granted to the employees under the stock option schemes established after June 19, 1999 are evaluated as per the accounting treatment prescribed by SEBI (Share based Employee Benefits) Regulations, 2014 issued by Securities and Exchange Board of India and

the Guidance Note on Accounting for employee share-based payments issued by the Institute of Chartered Accountants of India. Accordingly the Company measures the compensation cost relating to employee stock options using the intrinsic value method. The compensation cost is amortized on a straight line basis over the total vesting period of the stock options.

1.9 Taxes on Income

Tax expense for the year comprises of current tax and deferred tax.

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable. Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

1.10 Earnings per share

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary / exceptional item is considered. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Employee benefits

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees, based on actuarial valuation made by an independent actuary as at the balance sheet date. In accordance with the Payment of Gratuity Act, 1972, the gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees' salary and the tenure of employment.

Provident fund

Contributions to defined Schemes such as Provident Fund are charged as incurred on accrual basis. Eligible employees receive benefits from a provident fund, which is a defined

contribution plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions to the government administered authority.

Leave Encashment

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company accounts for Leave Encashment liability of its employees on the basis of actuarial valuation carried out by an independent actuary.

1.12 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities, are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

INDEPENDENT AUDITORS' REPORT

To
The Members of
Cambridge Technology Enterprises Limited
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Cambridge Technology Enterprises Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 25 to the standalone financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv) The Company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management. Refer Note 34 to the standalone financial statements.

For M.Anandam & Co.,
Chartered Accountants
(Firm's Registration No. 000125S)

M.V.Ranganath
Partner
Membership No.028031

Place: Hyderabad
Date: 24.05.2017

Annexure - A to the Auditors' Report

The Annexure referred to in our report to the members of the Company for the year ended on 31st March, 2017. We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- (c) The Company does not own any immovable properties. Accordingly, paragraph 3 (i) (c) of the Order is not applicable.
- (ii) The Company does not have any inventories at the year-end. Accordingly, paragraph 3 (ii) of the Order is not applicable.
- (iii) The Company has granted unsecured loans to Companies covered in the register maintained under section 189 of the Act. In respect of such loans we report that, (a) The terms and conditions are not prejudicial to the Company's interest; (b) There is no schedule for repayment of principal and interest; (c) There is no amount overdue.
- (iv) In our opinion and according to the information and explanations given to us, the Company has made investments and granted loans which is in compliance with the provisions of Section 185 and 186 of the Act.
- (v) The Company has not accepted deposits within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable.
- (vi) The company is not required to maintain cost records prescribed under sub-section (1) of section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, value added tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the Company examined by us, the particulars of income tax, sales tax, value added tax, wealth tax, service tax, customs duty, excise duty or cess as at 31st March, 2017 which have not been deposited on account of any dispute pending, are as under:

Name of the Statute	Nature of dues	Financial Year	Amount (Rs.in Lakhs)	Forum where dispute is pending
The Finance Act, 1994	Service Tax	2006-07 to 2008-09	325.76	CESTAT, Hyderabad Bench
Income Tax Act, 1961	Income Tax	2012-13	12.70	ITAT, Hyderabad
Income Tax Act, 1961	Income Tax	2014-15	71.58	CIT Appeals, Hyderabad

- (viii) The Company has not defaulted in repayment of loans or borrowings from financial institutions and banks. The Company has not availed any loans or borrowings from Government or issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer during the year. In our opinion and according to the information and explanations given to us, the Company has utilised the terms loans during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M.Anandam& Co.
Chartered Accountants
(Firm's Registration No. 000125S)

M.V.Ranganath
Partner
Membership No.028031

Place: Hyderabad
Date: 24.05.2017

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Cambridge Technology Enterprises Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M.Anandam & Co.
Chartered Accountants
(Firm's Registration No. 000125S)

Place: Hyderabad
Date: 24.05.2017

M.V.Ranganath
Partner
Membership No.028031

Standalone Balance Sheet as at 31st March, 2017

Amount in INR

Particulars	Note No.	As at	
		31/03/2017	31/03/2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2	196,310,150	196,310,150
(b) Reserves and surplus	3	75,642,804	130,920,394
(2) Non-Current Liabilities			
(a) Long term borrowings	4	583,251	-
(b) Deferred tax liabilities (net)	5	976,028	-
(c) Other long term liabilities	6	-	4,659,370
(d) Long term provisions	7	11,652,687	9,297,848
(3) Current Liabilities			
(a) Short term borrowings	8	14,401,167	-
(b) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	9	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		24,777,874	13,754,551
(c) Other current liabilities	10	34,205,782	9,233,784
(d) Short-term provisions	11	15,216,412	4,541,265
Total		373,766,155	368,717,362
II. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	12	5,998,241	6,551,902
(b) Goodwill		-	73,285,505
(c) Other intangible assets		5,187,851	3,781,356
(d) Non-current investments	13	219,820,155	137,437,900
(e) Deferred tax assets (net)	5	-	25,117,064
(f) Long term loans & advances	14	16,797,162	14,773,862
(2) Amount recoverable from ESOP Trust		11,900,000	11,900,000
(3) Current assets			
(a) Trade receivables	15	16,565,151	25,337,135
(b) Cash and bank balances	16	24,189,655	31,386,008
(c) Short-term loans and advances	17	67,734,718	28,521,096
(d) Other current assets	18	5,573,222	10,625,534
Total		373,766,155	368,717,362
Significant Accounting Policies	1		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For M. Anandam & Co.,
Chartered Accountants

For and on behalf of the Board

M.V. Ranganath
Partner
Membership No. 028031

Aashish Kalra **D.R.R. Swaroop**
Chairman & CEO Wholetime Director

T.V.Siva Prasad
CFO & Company Secretary

Place: Hyderabad
Date : 24-05-2017

Standalone Profit and Loss Statement for the Year ended 31st March, 2017

(Amount in INR)

Particulars	Note No.	Year Ended 31-03-2017	Year Ended 31-03-2016
I. Revenue from operations	19	386,554,811	294,532,790
II. Other income	20	9,041,079	14,360,627
III. Total Revenue (I +II)		395,595,890	308,893,417
IV. Expenses:			
Purchase of stock in trade		32,119,646	16,170,207
Employee benefits expense	21	206,319,128	161,369,874
Finance cost	22	1,380,177	319,204
Depreciation and amortization expense	12	9,600,808	30,984,811
Other expenses	23	101,182,474	68,776,396
Total Expenses		350,602,232	277,620,492
V. Profit before tax and exceptional items (III - IV)		44,993,658	31,272,925
VI. Exceptional items	33	(24,428,498)	-
VII. Profit after exceptional items (V - VI)		69,422,156	31,272,925
VIII. Tax expense:			
(1) Current tax (MAT)		16,981,203	6,533,513
Less: Mat Credit entitlement		(16,194,052)	(6,320,874)
Net Current tax		787,151	212,639
(2) Earlier year's tax		105,501	84,903
(3) Deferred tax		26,093,092	(24,874,561)
IX. Profit for the year (V - VI)		42,436,412	55,849,944
X. Earnings per equity share:	24		
(1) Basic		2.16	2.84
(2) Diluted		2.16	2.84
Significant Accounting Policies	1		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For M. Anandam & Co.,
Chartered Accountants**For and on behalf of the Board****M.V. Ranganath**
Partner
Membership No. 028031**Aashish Kalra**
Chairman & CEO**D.R.R. Swaroop**
Wholetime DirectorPlace: Hyderabad
Date : 24-05-2017**T.V.Siva Prasad**
CFO & Company Secretary

Standalone Cashflow Statement for the period ended 31st March, 2017

(Amount in INR)

Particulars	Year ended	
	31-03-2017	31-03-2016
A. Cash Flow from Operating Activities		
Net Profit before tax and exceptional items	44,993,658	31,272,925
Adjustment for :		
Depreciation & Amortization	9,600,808	30,984,811
Loss on sale of fixed assets (Net)	155,813	4,750
Operating profit before working capital changes	54,750,279	62,262,486
Adjustment for:		
Changes in trade payables	11,023,322	3,034,778
Changes in other liabilities	18,291,228	2,077,614
Change in provisions	12,137,334	2,560,035
Change in other current assets	5,052,316	(3,991,623)
Change in trade receivables	8,771,984	32,101,366
Change in loans and advances	(36,919,832)	(5,657,841)
Cash generated from operations	73,106,633	92,386,815
Income tax (paid)/ refunded	(4,317,090)	-
Net cash from operating activities A	68,789,543	92,386,815
B. Cash Flow from Investing Activities		
Sale of Fixed Assets	540,249	148,750
Purchase of Fixed Assets	(11,149,707)	(7,722,550)
Purchase of Investments	(82,382,255)	(77,515,905)
Net cash used in investing activities B	(92,991,713)	(85,089,705)
C. Cash Flows from Financing Activities		
Proceeds from short term borrowings	14,401,167	-
Proceeds from long term borrowings	2,604,651	-
Net cash from financing activities C	17,005,818	-
Net change in cash and cash equivalents (A+B+C)	(7,196,353)	7,297,110
Cash and cash equivalents at the beginning of year	31,386,008	24,088,900
Cash and cash equivalents at the end of year	24,189,655	31,386,008

Notes :-

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".

As per our report of even date

For M. Anandam & Co.,
Chartered Accountants

For and on behalf of the Board

M.V. Ranganath
Partner
Membership No. 028031

Aashish Kalra **D.R.R. Swaroop**
Chairman & CEO Wholetime Director

T.V.Siva Prasad
CFO & Company Secretary

Place: Hyderabad
Date : 24-05-2017

Notes to Standalone Financial Statements

(Amount in INR)

Note 2: Share Capital

Particulars	31-Mar-17	31-Mar-16
(a) Authorised Share Capital 3,00,00,000 equity shares of Rs.10 each (Previous year : 3,00,00,000 equity shares of Rs.10 each)	300,000,000	300,000,000
(b) Issued, Subscribed & Fully Paid Up Share Capital 1,96,31,015 equity shares of Rs.10 each, fully paid up (Previous year : 1,96,31,015 equity shares of Rs.10 each, fully paid up)	196,310,150	196,310,150
Total	196,310,150	196,310,150
Reconciliation of the number of shares:		
Balance at the beginning of the year	19,631,015	19,631,015
Add: Issued during the year	-	-
Balance at the end of the year	19,631,015	19,631,015

Details of Shareholders holding more than 5% shares :

Name of the Shareholder	31-Mar-17		31-Mar-16	
	No. of shares	% Holding	No. of shares	% Holding
1. Cloud Computing LLC	9,209,693	46.91	9,209,693	46.91
2. SmartShift AG	2,030,600	10.34	2,056,600	10.48

Rights attached to Equity shares:

The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

Note 3: Reserves and surplus

Particulars	31-Mar-17	31-Mar-16
(a) Capital Redemption Reserve	499,000	499,000
(b) Securities Premium Account		
Opening Balance	225,215,578	225,215,578
Less: Adjustment of unamortised Goodwill (Refer Note 3.1)	(225,215,578)	-
Closing balance	-	225,215,578
(c) Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	(94,794,184)	(150,644,128)
Add: Adjustment of accumulated losses (Refer Note 3.1)	127,501,576	
Add: Net Profit transferred from the Statement of Profit & Loss	42,436,412	55,849,944
Closing Balance	75,143,804	(94,794,184)
Total	75,642,804	130,920,394

Note 3.1 During the year, the Hon'ble High Court of Judicature at Hyderabad has approved the Scheme of Reduction of Capital. Accordingly, accumulated losses and unamortised Goodwill as on 31st March, 2016 is adjusted against balance of Securities Premium Account.

Notes to Standalone Financial Statements

(Amount in INR)

Note 4: Long term borrowings

Particulars	31-Mar-17	31-Mar-16
Term Loans		
Unsecured		
a) From other parties	583,251	-
Total	583,251	-

Note.4.1: Loan from other parties represents loan taken from Bajaj Finance Ltd., repayable in 18 equated monthly instalments from January 2017 at interest rate of 18.5% p.a.

Note 5: Deferred tax liabilities (Net)

Particulars	31-Mar-17	31-Mar-16
a) Deferred tax liabilities	21,232,177	21,232,177
Total Deferred tax liabilities	21,232,177	21,232,177
b) Deferred tax assets		
Opening Balance	46,349,241	21,474,680
Add: On account of depreciation	506,930	72,387
On account of Income tax losses	(27,438,818)	23,955,750
On account of Provision for employee benefits	1,300,206	2,109,691
Less: Reversal on account of payment of employee benefits	(461,410)	(1,263,266)
Total Deferred tax assets	20,256,149	46,349,241
Net Deferred tax (assets) / liabilities	976,028	(25,117,064)

Note 6: Other long term liabilities

Particulars	31-Mar-17	31-Mar-16
Others		
Rental deposit	-	4,659,370
Total	-	4,659,370

Note 7: Long term provisions

Particulars	31-Mar-17	31-Mar-16
Provision for employee benefits		
(i) Gratuity	10,003,026	8,181,142
(ii) Leave encashment	1,649,661	1,116,706
Total	11,652,687	9,297,848

Note 8: Short term borrowings

Particulars	31-Mar-17	31-Mar-16
Secured Loans		
From Banks	14,401,167	-
Total	14,401,167	-

Note.8.1: Loan from banks represents Overdraft facility availed from Kotak Mahindra Bank Limited at 11% p.a interest. This loan is secured by Fixed Deposit of the Company.

Notes to Standalone Financial Statements

(Amount in INR)

Note 9: Trade payables

Particulars	31-Mar-17	31-Mar-16
a) Dues to Micro & Small Enterprises	-	-
b) Dues to Others		
(i) For services	17,188,277	11,402,203
(ii) For stock in trade	7,589,597	2,352,348
Total	24,777,874	13,754,551

Note.9.1: There are no transactions with Micro and Small enterprises, hence disclosures are not given as required under MSMED Act, 2006.

Note 10: Other current liabilities

Particulars	31-Mar-17	31-Mar-16
a) Current maturities of long-term debt	2,021,400	-
b) Other Payables		
(i) Advance from customers	20,879,077	552,005
(ii) Statutory dues	3,037,391	2,596,216
(iii) Employee benefits payable	5,185,439	5,601,876
(iv) Others	3,082,476	483,688
Total	34,205,782	9,233,784

Note 11: Short term provisions

Particulars	31-Mar-17	31-Mar-16
a) Provision for employee benefits		
(i) Gratuity	351,655	282,159
(ii) Leave encashment	295,907	183,280
b) Provision for Income tax (net of advance tax)	14,568,851	4,075,826
Total	15,216,413	4,541,265

Notes to Standalone Financial Statements
Note No: 12

FIXED ASSETS : (Amount in INR)

S. No.	Name of Asset	Gross Block				Depreciation			Net Block	
		As at 01.04.2016	Additions	Deletions	As at 31.03.2017	Up to 01.04.2016	For the Year	Deletions	As at 31.03.2017	As at 31.03.2016
a)	Property, plant and equipment									
1	Plant & Machinery	890,534	-	-	890,534	518,540	71,300	-	300,694	371,994
2	Electrical Fittings	85,690	-	-	85,690	61,078	7,773	-	16,839	24,612
3	Furniture & Fixtures	1,909,038	177,117	125,000	1,961,155	1,334,821	158,989	90,257	557,602	574,217
4	Computers	21,542,487	1,766,928	1,027,092	22,282,323	20,253,096	1,302,560	457,504	1,184,171	1,289,392
5	Server & Networking	2,942,425	74,877	1,834,635	1,182,667	2,430,947	177,030	1,742,904	317,594	511,478
6	Office Equipment	4,756,532	1,122,458	-	5,878,990	3,862,019	693,820	-	1,323,151	894,513
7	Leasehold Improvement	4,407,538	568,828	-	4,976,366	1,521,841	1,156,335	-	2,298,191	2,885,697
	Total	36,534,245	3,710,208	2,986,727	37,257,725	29,982,342	3,567,807	2,290,665	5,998,241	6,551,902
b)	Goodwill									
1	Goodwill (Purchase)	122,142,503		97,714,002	24,428,501	48,856,999	-	24,428,498	-	73,285,504
	Total	122,142,503	-	97,714,002	24,428,501	48,856,999	-	24,428,498	-	73,285,504
c)	Other intangible assets									
1	Software Licenses	41,175,944	7,439,499	-	48,615,443	37,394,588	6,033,004	-	5,187,851	3,781,356
	Total	41,175,944	7,439,499	-	48,615,443	37,394,588	6,033,004	-	5,187,851	3,781,356
	Total	199,852,692	11,149,707	100,700,729	110,301,669	116,233,929	9,600,810	26,719,163	11,186,092	83,618,762
	Previous Year	192,639,878	7,722,550	509,738	199,852,691	85,605,357	30,984,807	356,237	83,618,760	107,034,521

Notes to Standalone Financial Statements

(Amount in INR)

Note 13: Non-current investments

Particulars	31-Mar-17	31-Mar-16
a) Investment in Equity Shares		
Unquoted Non Trade Investments:		
In Wholly owned subsidiaries		
Cambridge Technology Inc		
(19,56,700 equity shares of US\$ 1 each, fully paid up)	127,289,495	59,921,995
(Previous Year: 9,56,700 equity shares of US\$ 1 each, fully paid up)		
Cambridge Technology Investments Pte Ltd.		
(20,83,700 equity shares of SGD 1 each, fully paid up)	100,172,005	75,915,905
(Previous year: 10,00,000 equity shares of SGD 1 each, fully paid up)		
Less: Provision for diminution in the value of Investment	(9,341,345)	-
	90,830,660	75,915,905
Cambridge Bizserve Pvt. Ltd.		
(10,000 equity shares of Rs.10 each, fully paid up)	100,000	100,000
(Previous year: 10,000 equity shares of Rs.10 each, fully paid up)		
Cambridge Innovations Pvt. Ltd.		
(10,000 equity shares of Rs.10 each, fully paid up)	100,000	-
(Previous year: Nil)		
b) Investment in Preference Shares		
Unquoted Non Trade Investments:		
AntHill Startups Advisory Pvt Ltd		
(250 preference shares of Rs.10 each, fully paid up)	1,500,000	1,500,000
(Previous year: 250 preference shares of Rs.10 each, fully paid up)		
Total	219,820,155	137,437,900
Aggregate amount of unquoted investments	219,820,155	137,437,900
Aggregate provision for diminution in value of investment	93,41,345	-

Note 14: Long term loans and advances

Particulars	31-Mar-17	31-Mar-16
(Unsecured, considered good)		
a) Rental Deposits	13,799,910	11,760,360
b) Deposit with statutory authorities	2,500,000	2,500,000
c) Others	497,252	513,502
Total	16,797,162	14,773,862

Note 14.1 Deposits with Statutory Authorities represents amount paid under protest against Service Tax.

Note 15: Trade receivables

Particulars	31-Mar-17	31-Mar-16
(Unsecured, considered good)		
a) Outstanding for a period exceeding six months from the date they are due for payment	290,028	898,085
b) Others	16,275,123	24,439,050
Total	16,565,151	25,337,135

Notes to Standalone Financial Statements

(Amount in INR)

Note 16: Cash and bank balances

	Particulars	31-Mar-17	31-Mar-16
a)	Cash and Bank Balances		
(i)	Cash on hand	11,374	25,804
(ii)	Balances with Bank		
	- Current Accounts	1,645,946	15,588,744
	- Deposit Accounts	-	2,000,000
b)	Other Bank balances		
(i)	Fixed Deposits	22,532,336	13,771,460
	Total	24,189,655	31,386,008

Note 16.1: Fixed Deposits include Deposits against Bank Guarantees - Rs. 103.64 lacs (Previous Year - Rs.125.20lacs), Deposits against borrowings - Rs.90 lacs (Previous Year - Nil), Deposits against Forward Contracts - Rs.30 lacs (Previous Year - Rs.11.01 lacs) and Deposit with Customs Dept. Rs.1.68 lacs (Previous Year - Rs.1.50 lacs).

Note 17: Short term loans and advances

	Particulars	31-Mar-17	31-Mar-16
a)	Advances to Employees	1,152,488	123,562
b)	TDS Receivable (Net of provision for tax)	12,467,904	12,368,563
c)	Prepaid Expenses	3,816,215	3,776,160
d)	MAT Credit Entitlement	24,962,186	8,768,133
e)	Input Tax Receivable	5,150,540	3,033,698
f)	Loan to subsidiary companies	19,314,426	-
g)	Others	870,958	450,979
	Total	67,734,718	28,521,096

Note 18: Other current assets

	Particulars	31-Mar-17	31-Mar-16
a)	Unbilled Revenue	493,789	-
b)	Accrued interest on Fixed Deposits	220,728	715,107
c)	Others	4,858,705	9,910,427
	Total	5,573,222	10,625,534

Notes to Standalone Financial Statements

(Amount in INR)

Note 19: Revenue from operations

	Particulars	31-Mar-17	31-Mar-16
	Revenue from operations		
(a)	Sale of Services - Software Services	350,428,285	276,920,080
(b)	Sale of Traded goods - Software Licenses	36,126,526	17,612,710
	Total	386,554,811	294,532,790

Note 20: Other income

	Particulars	31-Mar-17	31-Mar-16
(a)	Interest on Deposits	963,104	3,008,255
(b)	Foreign Exchange gain (Net)	-	2,109,132
(c)	Miscellaneous Income	8,077,975	9,243,240
	Total	9,041,079	14,360,627

Note 21: Employee benefits expense

	Particulars	31-Mar-17	31-Mar-16
(a)	Salaries and bonus	187,960,987	144,650,875
(b)	Contribution to Provident fund	6,288,253	5,214,315
(c)	Gratuity and Leave encashment expenses	4,432,510	6,380,821
(d)	Staff Welfare Expenses	7,637,377	5,123,863
	Total	206,319,128	161,369,874

Note 22: Finance cost

	Particulars	31-Mar-17	31-Mar-16
(a)	Interest expense	1,267,717	319,204
(b)	Other borrowing costs	112,460	-
	Total	1,380,177	319,204

Note 23: Other expenses

	Particulars	31-Mar-17	31-Mar-16
(a)	Power & Fuel	3,839,956	2,455,381
(b)	Rent of office premises	21,441,414	19,831,936
(c)	Rent of computer equipment	12,160,994	10,450,211
(d)	Insurance	363,561	455,062
(e)	Subscriptions and Membership fee	1,615,123	1,843,046
(f)	Communication Expense	10,124,136	3,935,702
(g)	Office Maintenance	10,473,258	7,412,808
(h)	Repairs and Maintenance	742,588	611,729
(i)	Traveling and Conveyance	9,384,558	8,198,925
(j)	Directors Sitting Fee	280,000	500,000
(k)	Professional fees	10,729,631	6,825,236
(l)	Payment to Auditors	1,397,106	989,589
(m)	Rates and Taxes	296,033	330,706
(n)	Loss on sale of assets (Net)	155,813	4,750
(o)	Exchange Fluctuation Loss	3,545,370	-
(p)	Bad Debts written off	3,008,334	1,316,707
(q)	Provision for Diminution in fair value of investments	9,341,345	-
(r)	Miscellaneous Expenses	2,283,254	3,614,607
	Total	101,182,474	68,776,396

Notes to Standalone Financial Statements

(Amount in INR)

Note 23.1 : Payment to Auditors

Particulars	31-Mar-17	31-Mar-16
(a) Payment to Auditors :		
As Auditor		
(i) Statutory Audit (Including Limited Review)	915,000	675,000
(ii) Tax Audit	75,000	75,000
(iii) Transfer pricing	75,000	150,000
(iv) Certification	300,000	60,000
(v) Out of pocket expenses	32,106	29,589
Total	1,397,106	989,589

Note 24 : Basic and Diluted Earnings per share

Particulars	31-Mar-17	31-Mar-16
Earnings per share has been computed as under:		
a) Net Profit after Tax attributable to shareholders	42,436,412	55,849,944
b) Weighted Average Number of Equity Shares	19,631,015	19,631,015
c) Basic and Diluted Earnings per share (a)/(b)	2.16	2.84
d) Face Value per equity share	10	10

Note 25 : Contingent Liabilities and Commitments

Particulars	31-Mar-17	31-Mar-16
(I) Contingent Liabilities		
(A) Claims against the company/ disputed liabilities not acknowledged as debts :		
- Service Tax	32,576,183	32,576,183
- Income Tax	79,339,808	35,782,694
(II) Commitments	-	-

Note 26 : Employee Benefits-Disclosures as per AS-15

a) Gratuity

Principal actuarial assumptions:

Particulars	31-Mar-17	31-Mar-16
1. Discount Rate	8.00%	8.00%
2. Salary Escalation	7.00%	7.00%
Reconciliation of Opening and Closing Balances of the present value of the obligations :		
Present value of obligation as at beginning of year	8,463,301	6,208,051
Interest Cost	677,064	496,644
Current Service Cost	791,670	652,778
Benefits paid	(567,941)	(2,689,945)
Actuarial Gain/Loss on obligations	1,490,587	3,795,773
Present value of obligation as at end of year	10,854,681	8,463,301
Amounts recognized in the balance sheet :		
Present value of obligations as at the end of year	10,854,681	8,463,301
Fair value of plan assets as at the end of the year	500,000	-
Funded status	(10,354,681)	(8,463,301)
Net Asset/(Liability) recognized in balance sheet	(10,354,681)	(8,463,301)
Amounts recognized in the Profit and loss :		
Current Service Cost	791,670	652,778
Interest Cost	677,064	496,644
Expected return on plan assets	-	-
Net Actuarial (gain)/Loss recognized in the year	1,490,587	3,795,773
Expenses recognized in statement of Profit & Loss	2,959,321	4,945,195

Notes to Standalone Financial Statements

(Amount in INR)

b) Leave encashment**Principal actuarial assumptions:**

Particulars	31-Mar-17	31-Mar-16
1. Discount Rate	8.00%	8.00%
2. Salary Escalation	7.00%	7.00%
Reconciliation of Opening and Closing Balances of the present value of the obligations :		
Present value of obligation as at beginning of year	1,299,986	995,201
Interest Cost	103,999	79,616
Current Service Cost	192,383	90,826
Benefits Paid	(560,958)	(1,130,841)
Actuarial Gain/Loss on obligations	910,158	1,265,184
Present value of obligation as at end of year	1,945,568	1,299,986
Amounts recognized in the Profit and loss :		
Current Service Cost	192,383	90,826
Interest Cost	103,999	79,616
Expected return on plan assets	-	-
Net Actuarial (gain)/Loss recognized in the year	910,158	1,265,184
Expenses recognized in statement of Profit & Loss	1,206,540	1,435,626

Note 27: Expenditure in foreign currency :

Particulars	31-Mar-17	31-Mar-16
Travel Expenses	1,526,739	3,506,943

Note 28: Earnings in foreign currency :

Particulars	31-Mar-17	31-Mar-16
Income from software services and products	323,557,132	254,140,936

Note 29: Segment Reporting

The company has only one reportable segment viz., Software Development Services. Hence, segment reporting as per AS-17 is not given.

Note 30: Related Party disclosures as per AS-18 read with the Companies Act, 2013**(i) Names of related parties and description of their relationship:****1. Key Managerial Personnel (KMP)**

Mr. D.R.R Swaroop	Whole Time Director
Mr. Aashish Kalra	CEO & Whole Time Director
Mr. T. V. Siva Prasad	CFO & Company Secretary

2. Non-whole time Directors

Mr. Venkat Motaparthi	Independent Director
Mr. B.Muralidhar	Independent Director
Mrs. K. Jaya Lakshmi Kumari	Independent Director
Mr. Stefan Hetges	Non-Executive Director

3. Subsidiary Companies

M/s Cambridge Technology Inc., USA
M/s Cambridge Innovation Capital LLC, USA
(Subsidiary of M/s Cambridge Technology Inc., USA)
M/s Cambridge Technology Investments Pte Ltd., Singapore
M/s Cambridge Bizserve Pvt. Ltd., India
M/s Cambridge Innovations Pvt. Ltd., India

Notes to Standalone Financial Statements

(Amount in INR)

(ii) Details of the related party transactions

Particulars	31-Mar-17	31-Mar-16
a) Key managerial personnel		
Remuneration		
Mr. D.R.R Swaroop	2,500,001	2,500,001
Mr. T. V. Siva Prasad	1,997,834	1,255,797
b) Non-whole time Directors		
Sitting Fee		
Mr. Venkat Motaparthi	110,000	200,000
Mr. B.Muralidhar	110,000	190,000
Mrs. K. Jaya Lakshmi Kumari	60,000	110,000
c) Subsidiaries		
M/s Cambridge Technology Inc., USA		
Sale of Services	323,557,132	254,140,936
Expenses Reimbursement (net)	1,732,745	32,455
(Advance Received)/Trade Receivable	(20,441,439)	14,197,207
Expenses Receivable/(Payable)	1,474,224	(62,653)
Equity Investment	67,367,500	-
M/s Cambridge Technology Investments Pte Ltd., Singapore		
Equity Investment	24,256,100	75,915,905
Expenses Receivable/(Payable)	7,787,982	-
M/s Cambridge Bizserve Pvt. Ltd., India		
Equity Investment	-	100,000
Expenses Reimbursement (net)	3,600	26,370
Expenses Receivable	29,970	26,370
M/s Cambridge Innovations Pvt. Ltd., India		
Equity Investment	100,000	-
Expenses Reimbursement (net)	22,250	-
Expenses Receivable	22,250	-
Loan given during the year	10,000,000	-
Loan outstanding	10,000,000	-

Note 31: During the financial year 2012-13, the Company has written-off the trade receivables amounting to Rs. 21, 48, 81,750/- , due from erstwhile wholly owned step down subsidiary M/s Smartshift Technologies Inc, USA (earlier known as Cambridge Technology Enterprises Inc. USA) and the company has also sold shares of its erstwhile subsidiary M/s SmartShift Group Limited, Mauritius (formerly Cambridge Technology Enterprises – Mauritius Limited) amounting to Rs. 27,42,60,626/- at nil consideration. The Company has made an application to RBI through an authorized dealer for the approval and ratification of the same which is pending.

With reference to the above matters, the Company has submitted replies to the queries raised by RBI on 30th June, 2016.

Note 32: Notes on ESOP Schemes**CTEL ESOP 2006**

The 2006 Plan was approved by the Board of Directors on April 13, 2006 and by the shareholders on April 21, 2006, and further amended by the Shareholders on September 7, 2015 under which scheme 1,236,542 options were granted till date of 31st March, 2017.

2006 Scheme	2017		2016	
Particulars	Number of shares	Weighted Average Exercise price	Number of shares	Weighted Average Exercise price
Options outstanding at the beginning of the period	Nil	Nil	43,953	20.12
Granted during the year	Nil	Nil	Nil	Nil
Forfeited and Lapsed during the year	Nil	Nil	Nil	Nil
Exercised during the year	Nil	Nil	43,953	20.12
Expired during the year	Nil	Nil	Nil	Nil
Options Outstanding at the end of the year	Nil	Nil	Nil	Nil
Options exercisable at the end of the year	Nil	Nil	Nil	Nil
Range of Exercise price for stock options outstanding at the end of the year	Nil	Nil	Nil	Nil

Note: For Stock Options exercised during the year 2015-16, the weighted average share price is Rs. 82.35/-.

CTEL ESOP SCHEME 2008

The 2008 Plan was approved by the Board of Directors on March 20, 2008 and by the shareholders through postal ballot results of which was declared on March 5, 2008, and further amended by the Shareholders on September 7, 2015 under which scheme 1,500,000 options were granted till date of 31st March, 2017.

2008 Scheme	2017		2016	
Particulars	Number of shares	Weighted Average Exercise price	Number of shares	Weighted Average Exercise price
Options outstanding at the beginning of the period	2,000	25.90	38,234	24.61
Granted during the year	Nil	Nil	Nil	Nil
Forfeited and Lapsed during the year	Nil	Nil	Nil	Nil
Exercised during the year	1000	25.90	36,234	24.53
Expired during the year	Nil	Nil	Nil	Nil
Options Outstanding at the end of the year	1,000	25.90	2000	25.90
Options exercisable at the end of the year	1,000	25.90	2000	25.90
Range of Exercise price for stock options outstanding at the end of the year	1000	25.90	2000	25.90

Note: For Stock Options exercised during the year 2016-17, the weighted average share price is Rs. 89.76/- and for Stock Options exercised during the year 2015-16, the weighted average share price is Rs. 79.22/-.

CTEL ESOP SCHEME 2011

The 2011 Plan was approved by the Board of Directors on December 10, 2010 and by the shareholders through postal ballot results of which was declared on January 24, 2011 and further amended by the Shareholders on September 7, 2015 under which scheme 8,82,100 options were granted till date of 31st March, 2017.

2011 Scheme	2017		2016	
Particulars	Number of shares	Weighted Average Exercise price	Number of shares	Weighted Average Exercise price
Options outstanding at the beginning of the period	238,100	38.00	50,000	17.00
Granted during the year	Nil	Nil	238100	38.00
Forfeited and Lapsed during the year	1,000	38.00	Nil	Nil
Exercised during the year	Nil	Nil	50,000	17.00
Expired during the year	Nil	Nil	Nil	Nil
Options Outstanding at the end of the year	237100	38.00	238100	38.00
Options exercisable at the end of the year	Nil	Nil	Nil	Nil
Range of Exercise price for stock options outstanding at the end of the year	237100	38.00	238100	38.00

Note:

1. For Stock Options exercised during the year 2015-16, the weighted average share price is Rs. 54.42/-.
2. For Stock Options outstanding as on 31.03.2017, the remaining contractual life is approximately 6 years & 3 Months.

ESOS - 2015

The Employee Stock Option Scheme - 2015 was approved by the Board of Directors on 29th April, 2015 and by the shareholders through postal ballot results of which was declared on June 1, 2015 under which scheme 2,18,500 options were granted till date of 31st March, 2017.

2015 Scheme	2017		2016	
Particulars	Number of shares	Weighted Average Exercise price	Number of shares	Weighted Average Exercise price
Options outstanding at the beginning of the period	218,500	Nil	Nil	Nil
Granted during the year	Nil	Nil	218500	80.00
Forfeited and Lapsed during the year	65,000	80.00	Nil	Nil
Exercised during the year	Nil	Nil	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil
Options Outstanding at the end of the year	153,500	80.00	218500	80.00
Options exercisable at the end of the year	Nil	Nil	Nil	Nil
Range of Exercise price for stock options outstanding at the end of the year	153,500	80.00	218,500	80.00

Note:

1. For Stock Options outstanding as on 31.03.2017, the remaining contractual life is approximately 7 years.

Note 33: Exceptional Items represent goodwill amortised during the year 2015-16 and reversed now on account of Scheme of Capital Reduction. (Refer Note 3)

Note 34: As per MCA Notification G.S.R.308 (E) dated 30.03.2017, the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are given below :

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	-	10,307	10,307
(+) Permitted Receipts	-	209,240	209,240
(-) Permitted Payments	-	194,913	194,913
(-) Amount deposited in Banks	-	-	-
Closing Cash in Hand as on 30.12.2016	-	24,634	24,634

Note 35: Previous year's figures are regrouped/rearranged wherever considered necessary to conform to the current year figures.

As per our report of even date

For M. Anandam & Co.,
Chartered Accountants

For and on behalf of the Board

M.V. Ranganath
Partner
Membership No. 028031

Aashish Kalra
Chairman & CEO

D.R.R. Swaroop
Wholetime Director

Place: Hyderabad
Date : 24-05-2017

T.V.Siva Prasad
CFO & Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

(All amounts have been presented in Rupees unless otherwise specified)

Company overview

Cambridge Technology Enterprises Limited (CTE), “the Company” is an information technology services provider dedicated to serving the midsize market enterprises and the midsize units of Global 2000 enterprises across the spectrum of business industries. The Company was incorporated on January 28, 1999 in Hyderabad, India.

1. Significant accounting policies**1.1 Basis of preparation of financial statements**

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (“GAAP”) in India under the historical cost convention on the accrual basis to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

1.2 Use of estimates

The preparation of the financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Actual results could differ from those estimates. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and intangible assets. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates.

1.3 Revenue recognition*Income from Software services and products*

Revenue from professional services consist primarily of revenue earned from services performed on a “time and material” basis. The related revenue is recognized as and when the services are performed. The Company also performs time bound fixed-price engagements, under which revenue is recognized using the percentage of completion method of accounting. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Amounts received or billed in advance of services performed are recorded as advance from customers/unearned revenue. Unbilled revenue, included in debtors, represents amounts recognized based on services performed in advance of billing in accordance with contract terms. Unearned revenue is calculated on the basis of the unutilized period of time at the

Balance Sheet and represents revenue which is expected to be earned in future periods in respect of internet, e-mail services, electronic data interchange and web hosting services.

Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license, except in case of multiple element contracts requiring significant implementation services, where revenue is recognized as per the percentage of completion method.

Other income

Interest is recognized using the time-proportion method, based on rates implicit in the transaction.

1.4 Property, Plant and Equipment

Property, Plant and Equipment

Property, Plant and Equipment are stated at actual cost less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses incurred during the construction/installation stage.

Other Intangible assets

Other Intangible assets are recorded at consideration paid for acquisition and other direct costs that can be directly attributed, or allocated on a reasonable and consistent basis, to creating, producing and making the asset ready for its intended use.

1.5 Depreciation and Amortization

Depreciation on Property, Plant and Equipment is provided on the written down value method and at the useful life and in the manner specified in Schedule II of the Companies Act, 2013. For assets acquired or disposed off during the year, depreciation is provided on prorata basis.

Software used in development for projects are amortized over the license period or estimated useful life of two years, whichever is lower. Cost of internally developed software including the incidental costs is amortized over a period of five years.

Individual assets acquired for less than Rs.5,000/-are entirely depreciated in the year of acquisition. Leasehold improvements are depreciated over the remaining primary period of lease.

The cost of and the accumulated depreciation for Property, Plant and Equipment sold, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are included in the profit and loss account. Lease payments under operating lease are recognized as an expense in the profit and loss account. An impairment loss is recognized wherever the carrying amount of the fixed assets exceeds its recoverable amount.

1.6 Investments

Investments are either classified as current or long-term, based on the Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

1.7 Foreign Currency transactions and translation

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction (RBI rates). Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognized in the profit and loss account. Non-monetary assets and liabilities are translated

at the rate prevailing on the date of transaction. The premium or discount arising at the inception of forward contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit & loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such contract is recognized as income or as expense for the period.

1.8 Employee Stock Option Scheme

Stock options granted to the employees under the stock option schemes established after June 19, 1999 are evaluated as per the accounting treatment prescribed by SEBI (Share based Employee Benefits) Regulations, 2014 issued by Securities and Exchange Board of India and the Guidance Note on Accounting for employee share-based payments issued by the Institute of Chartered Accountants of India. Accordingly the Company measures the compensation cost relating to employee stock options using the intrinsic value method. The compensation cost is amortized on a straight line basis over the total vesting period of the stock options.

1.9 Taxes on Income

Tax expense for the year comprises of current tax and deferred tax.

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable. Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

1.10 Earnings per share

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary / exceptional item is considered. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

1.11 Employee benefits

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees, based on actuarial valuation made by an independent actuary as at the balance sheet date. In accordance with the Payment of Gratuity Act, 1972, the gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees' salary and the tenure of employment.

Provident fund

Contributions to defined Schemes such as Provident Fund are charged as incurred on accrual basis. Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions to the government administered authority.

Leave Encashment

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company accounts for Leave Encashment liability of its employees on the basis of actuarial valuation carried out by an independent actuary.

1.12 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities, are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

Notice of Annual General Meeting

NOTICE is hereby given that the 18th Annual General Meeting of the Members of Cambridge Technology Enterprises Limited will be held on **Monday, 25th September, 2017, at 10.30 A.M. at Ruby Hall, 5th Floor, Hotel Peerless Inn, Plot #15 to 18, Lumbini Layout, Gachibowli, Hyderabad – 500 032, Telangana State, India** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31st March, 2017 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.Aashish Kalra, Whole – time Director (DIN:01878010) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors and fix their remuneration and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable statutes and laws, if any (including any statutory amendment or modification or re-enactment thereof, for the time being in force) and pursuant to the resolution passed by the Members at the 17th Annual General Meeting of the Company (“AGM”) held on September 30, 2016, the appointment of M Anandam & Co, Chartered Accountants (Firm’s Regn. No. 000125S), as the Statutory Auditors of the Company, to hold office till the conclusion of 22nd AGM of the Company to be held in the year 2021, be and is hereby ratified at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS

4. **Increase in borrowing limits.**

To Consider, and if thought, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of the earlier resolution passed by the Members in their meeting held on 29th September, 2007, pursuant to the provisions of Section 180(1)(C) of Companies Act, 2013 read with the rules made thereunder or any amendment or modifications thereof, from time to time and Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the company to borrow moneys, from time to time, whether as rupee loans, foreign currency loans, debentures, bonds and/ or other instruments or non-fund based facilities or in any other form (apart from temporary loans obtained or to be obtained from the Company’s Bankers in the ordinary course of business) from the Banks, Financial Institutions, Investment Institutions, Mutual Funds, Trusts, other Bodies Corporate or from any other source, located in India or abroad, whether unsecured or secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company’s assets or licenses or properties including stock in trade on such terms and conditions as may be considered suitable by the Board of Directors up to an amount the aggregate outstanding of which should not exceed, at any given time, Rs. 400 Crores (Rupees Four Hundred Crores only), notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company’s Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose”.

“RESLOVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide terms and conditions of such borrowings,

finalize and execute all such deeds, documents, instruments and writing as may be necessary, desirable or expedient, settle any question, difficulty or doubt that may arise in this regard, do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and may delegate all or any of these powers to any Committee of Directors or Managing Director or Whole time Director or Director or any other officer of the Company or any other person.”

5. Creation of Security on the Properties of the Company in favor of the Lenders.

To consider, and if thought fit, to pass, with or without modification(s), the following as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of Companies Act, 2013 read with the rules made thereunder or any amendment or modifications thereof, from time to time and Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the company to exercise its powers, including the powers conferred by this resolution of the Company for creation of mortgage/hypothecation/ pledge/ charge/security in any form or manner on the properties of the Company whether tangible, intangible or otherwise, both present and future, in favor of lenders, located in India or abroad, including Banks, Financial Institutions, Investment Institutions, Mutual Funds, Trusts, other Bodies Corporate or any other source, Trustees for holders of debentures/ bonds and/ or other instruments to secure all credit facilities including rupee loans, foreign currency loans, debentures, bonds and /or other instruments or non - fund based facilities availed / to be availed by the company or any third party and / or for any other purpose, from time to time, together with interest, further interest thereon, compound interest in case of default, accumulated interest, liquidated damages, all other costs, charges and expenses payable by the Company or any third party in respect of such borrowing(s) provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed Rs. 400 crores (Rupees Four Hundred Crores only) at any time.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide terms and conditions of security, finalize and execute all such deeds, documents, instruments and writings as may be necessary, desirable or expedient, settle any question difficulty or doubt that may arise in this regard, do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable and may delegate all or any of these powers to any Committee of Directors or Managing Director or Whole time Director or Director or any other officer of the Company or any other person.”

6. Raising of funds through Issue of FCCB's / other permissible Securities for an amount not exceeding USD 50 Million.

To consider, and if thought fit, to pass, with or without modification(s), the following as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 23, 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder including any amendments thereto or re-enactment thereof for the time being in force and as may be enacted from time to time (collectively, the **“Companies Act”**), the enabling provisions of the Memorandum and Articles of Association of the Company or any amendment thereof, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **“Listing Regulations”**) and the listing agreements entered into with the stock exchanges and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the **“SEBI ICDR Regulations”**), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**“SEBI Takeover Regulations”**), the provisions of the issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 or the Depository Receipt Scheme, 2014, the Foreign Exchange Management (Transfer or issue of Security by a

Person Resident Outside India) Regulations, 2000, the provisions of the Foreign Exchange Management Act, 1999, ("**FEMA**") and rules and regulations framed there under as amended from time to time and subject to other applicable rules, regulations and guidelines issued by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the Government of India ("**Gol**"), the stock exchanges where the shares of the Company are listed (the "**Stock Exchanges**") and / or any other competent governmental or regulatory authorities from time to time to the extent applicable, and subject to such approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, Ministry of Finance (Department of Economic Affairs), the Ministry of Commerce & Industry (FIPB/ Secretariat for Industrial Assistance), RBI, Gol and any other governmental or regulatory authorities or any other appropriate authorities, institutions or bodies as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "**the Board**" which term shall be deemed to include any Committee(s) thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), subject to the necessary amendment of Memorandum and Articles of Association of the Company, if any, consent of the members be and is hereby accorded to the Board of Directors of the Company to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted under applicable law), either in India or in the course of international offering(s) in one or more foreign markets, with or without green shoe option, such number of equity shares of the Company of face value Rupees 10/- each ("**Equity Shares**") and/or other equity linked or convertible financial instruments, Global Depository Receipts ("**GDRs**"), American Depository Receipts ("**ADRs**"), Foreign Currency Convertible Bonds ("**FCCBs**"), any other Depository Receipt Mechanism convertible into Equity Shares (either at the option of the Company or the holders thereof) at a later date, fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments convertible into Equity Shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as "**Securities**") or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in one or more foreign markets and/or domestic market, by way of one or more public and/or private offerings, and/or on preferential allotment basis, and/or private placement basis including without limitation through a qualified institutions placement ("**QIP**") in accordance with Chapter VIII of the SEBI ICDR Regulations, or any combination thereof, or by issue of prospectus and /or placement document/ or other permissible/requisite offer document or letter to any eligible person(s), including but not limited to qualified institutional buyers (as defined in the SEBI ICDR Regulations) ("**QIBs**") in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/ or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors ("**FII's**"), foreign portfolio investors ("**FPIs**"), Banks, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of equity shares of the Company or not (collectively called the "**Investors**") as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an aggregate amount not exceeding **USD 50 Million** or equivalent thereof, in one or more foreign currency and/or Indian rupees, inclusive of such premium as may be fixed on such Securities, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to

the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and / or to be appointed by the Company (the "Issue")."

"RESOLVED FURTHER THAT if any issue of Securities is made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination thereof as may be decided by the Board shall be completed within 12 (twelve) months from the date of approval of the shareholders of the Company by way of a special resolution for approving QIP or such other time as may be allowed under the SEBI ICDR Regulations at a price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations, provided that the Board may, in accordance with applicable law, offer a discount of not more than 5% (five per cent.) or such percentage as permitted under applicable law on such price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations. The Eligible Securities shall be allotted as fully paid-up (subject to allottees having the option to pay either full or part consideration for warrants, with the balance consideration being payable at or by the time of exercise of such warrants, where the tenure of any convertible or exchangeable Eligible Securities shall not exceed 60 (sixty) months from the date of allotment), and the aggregate of all QIPs made by the Company in the same financial year shall not exceed five times the net worth of the Company as per the audited balance sheet of the previous financial year."

"RESOLVED FURTHER THAT in the event that the Equity Shares are issued to QIBs under Chapter VIII of the SEBI ICDR Regulations, the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares and in the event that convertible securities (as defined under the SEBI ICDR Regulations) are issued to QIBs under Chapter VIII of the SEBI ICDR Regulations, the "relevant date" for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for Equity Shares or such other time as may be permitted by the SEBI ICDR Regulations, subject to any relevant provisions of applicable laws, rules, regulations as amended from time to time."

"RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities determined in accordance with the Depository Receipt Scheme, 2014 (as amended), or the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme, 1993 (as amended), or such other date as may be specified / notified by any Appropriate Authority from time to time in connection with FCCBs, as the case may be (including any amendments thereto or re-enactment thereof, for the time being in force) or as may be permitted under applicable law."

"RESOLVED FURTHER THAT the relevant date for the determination of the applicable price for the issue of any other Securities shall be as per the regulations/guidelines prescribed by the SEBI, the Ministry of Finance, the RBI, the GOI through their various departments, or any other regulator, as the case may be, and the pricing of any Equity Shares issued upon the conversion of such Securities shall be made subject to and in compliance with the applicable rules and regulations."

"RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

- (a) The Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- (b) The Equity Shares that may be issued or the convertible Securities upon conversion into Equity Shares by the Company shall rank paripassu with the existing Equity Shares of the Company in all respects; and

- (c) The number and /or price of Securities shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate re-organization or restructuring.

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities or equity shares on conversion of Securities, the Board be and is hereby authorized on behalf of the Company to seek listing of any or all of such Securities or equity shares as the case may be, on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.”

“RESOLVED FURTHER THAT the Board and/or agency or body authorized by the Board may issue Depository Receipt(s) or Certificate(s), representing the underlying Securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/or International Capital Markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/International practices and regulations and under the norms and practices prevalent in the Indian/International Markets.”

“RESOLVED FURTHER THAT in addition to all applicable Indian laws, the Securities issued pursuant to this Resolution shall also be governed by all applicable laws of any foreign jurisdiction where such Securities are or are proposed to be marketed or listed, or that may in any other manner apply in this relation.”

“RESOLVED FURTHER THAT subject to the existing laws and regulations, such Securities to be issued, that are not subscribed, during the currency of the warrants or option or any right entitling the holder of Security to subscribe for Equity Shares or any other financial instruments, may be disposed off by the Board to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company, including offering or placing them with resident or non-resident/ foreign investor(s) (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/ or otherwise) FIs/Mutual Funds/ Pension Funds/ Venture Capital Funds/ Banks and/or Employees and Business Associates of the Company or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Company, as the Board may in its absolute discretion decide.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions but subject to necessary approvals and consents, the Board be and is hereby authorized on behalf of the Company to take all such actions, give such directions and to do all such acts, deeds and things as may be necessary, desirable or incidental thereto including without limitation entering into of arrangements in consultation with the Advisor including arrangements for underwriting, marketing, listing, trading, appointment of lead manager(s)/ merchant banker(s), underwriter(s), guarantor(s), depository/ depositories, custodian(s), stabilizing agent(s), banker(s), advisor(s), registrar(s), paying and conversion agent(s), trustee(s), and other agents as may be required in order to facilitate or consummate the Issue, and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and allotment of the aforesaid Equity Shares and listing thereof with the Stock Exchanges and to approve and execute all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions and difficulties that may arise in the issue, offer and allotment of any of the Equity Shares whether in India or abroad, for the issue including the finalization and approval of the draft as well as final offer document(s), determining the form and manner of the Issue, finalization of the dates and timing of the Issue, identification and class of the investors to whom the Securities are to be offered, determining the issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest and all other terms and conditions of the Securities, offer and allotment of Securities, execution of various transaction documents, signing of declarations, creation of mortgage/ charge, utilization of the Issue proceeds and to do all requisite filings with SEBI, the Stock Exchanges, FIPB, the Government of India, the Reserve Bank of India, if required and any other concerned authority in India or outside, and to agree to such conditions or modifications that may be imposed by SEBI, RBI, Stock Exchanges, FIPB or other authorities

while granting the requisite approvals or that may otherwise be deemed fit or proper by the Board and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and proper for the purposes of the Issue and resolve and settle all questions or difficulties that may arise in regard to such Issue, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the issue, and to give such directions that may be necessary or may arise in regard to or in connection with any such offer, issue or allotment of Securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit and any such action, decision or direction of the Board shall be binding on all shareholders."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to open one or more bank accounts in the name of the Company in Indian currency or foreign currency(ies) with such bank or banks in India as may be required in connection with the aforesaid issue, subject to requisite approvals from Reserve Bank of India, if any, and the Director or Directors of the Company or other officer or officers of the Company authorized by the Board be and is or are hereby authorized to sign and execute the application form and other documents required for opening the account, to operate the said account, and to give such instructions including closure thereof as may be required and deemed appropriate by these signatories, and that the said bank/s be and is/are hereby authorized to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid signatories on behalf of the Company."

"RESOLVED FURTHER THAT the common seal of the Company, if and when required on any agreement, undertaking, deed or other document in India, be affixed as per the provisions of Articles of Association of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the issue of the Securities."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate[to the extent permitted by law] all or any of the powers herein conferred to any committee of directors or any director(s) of the Company in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in this regard to the Issue."

By the order of the Board
For Cambridge Technology Enterprises Limited

Hyderabad
24th August, 2017

Tumuluri Venkata Siva Prasad
CFO & Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND, AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.**

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A

member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing the representative to attend and vote on their behalf at the meeting.

2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to the business at Item 4 to 6 of the notice as set out above, is annexed hereto.
4. In terms Articles of Association of the Company and pursuant to Companies Act, 2013, Mr. Aashish Kalra, Whole - time Director (DIN: 01878010) of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Information about such Director as stipulated under SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2, is contained in the statement annexed hereto. The Board of Directors of the Company recommends the re-appointment of Mr. Aashish Kalra, Whole - time Director (DIN: 01878010).
5. Members/Proxies should bring the enclosed Attendance Slip duly filled in for attending the meeting along with the copy of the Annual Report. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf in the meeting. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number(s) in the Attendance Slip for attending the meeting.
7. Members are requested to notify change of address, if any, with pincode to the Company or to its Registrar and Share Transfer Agent quoting reference of their folio number and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
8. The Company has designated an exclusive email ID investors@ctepi.com, which would enable the investors/ shareholders to post their grievances, if any, by quoting their Registered Folio Number, Client ID, and Number of shares. However, it may be noted that the Company would not respond to any kind of malicious allegations made by the shareholders with ulterior motives. Members intending to seek clarifications at the Annual General Meeting concerning the accounts and any aspect of operations of the Company are requested to send their questions in writing to the Investor Relations Department so as to reach the Company at least 7 days in advance before the date of the Annual General Meeting, specifying the point(s).
9. Securities and Exchange Board of India (SEBI) has issued a circular clarifying that it shall be mandatory for the transferee(s) to furnish copy of Permanent Account Number (PAN) card to the Company/Registrar and Transfer Agent of the Company for registration of transfer of shares in the physical mode. Members may please take a note of the same.
10. All relevant documents referred in the Notice shall be open for inspection by the members at the Registered office of the Company during the normal business hours (10.00 A.M to 6.00 P.M) on all working days (except Saturdays) upto the date of AGM of the Company and shall also be available at the meeting.

11. A Route Map showing direction to reach the venue of 18th Annual General Meeting is given in the Annual Report as per the requirement of the Secretarial Standard – 2 on General Meeting.
12. The Certificate from the Auditors of the Company under regulation 13 of SEBI (Share Based Employee Benefits) Regulations, 2014 stating compliance as per SEBI (Share Based Employee Benefits) Regulations, 2014, as amended, from time to time and resolution of the company passed in the general meeting, on implementation of scheme, will be available for inspection by the members at the AGM.
13. The Ministry of Corporate Affairs, Government of India (vide its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' by allowing paperless compliances and recognizing delivery of Notices / Documents / Annual Reports, etc., to the shareholders through electronic medium. Further pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules made thereunder, companies can serve Annual Report and other communications through electronic medium. In view of the above the Company will send Notices / Documents / Annual Reports, etc., to the shareholders through email, wherever the email addresses are available; and through other modes of services where email addresses have not been registered. **Accordingly, members are requested to support this initiative by registering their email addresses in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, M/s. Aarathi Consultants Private Limited.** However, in case, a Member wishes to receive a physical copy of the said documents, such Member is requested to send an e-mail duly quoting his DP ID and Client ID or the Folio number, as the case may be, to investors@ctepl.com The Members may also note that the said notice & Reports are also being uploaded on the website of the Company at www.ctepl.com.
14. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN details to the Company/Registrar and Transfer Agent.
16. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 19th September, 2017 to Monday, 25th September, 2017 (both days inclusive) for the purpose of Annual General Meeting of the Company.
17. Members are requested to bring their copy of the Annual Report to the AGM. Members/ Proxies should bring the Attendance Slip to the Meeting duly filled in for attending the Meeting.

Voting through electronic means:

1. In compliance with provisions of section 108 of the Act and Rule 20 of The Companies [Management and Administration] Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide Members with a facility to exercise their right to vote at the 18th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services.
2. Necessary arrangements have been made by the Company with Central Depository Services [India] Limited [CDSL] to facilitate e-voting. The detailed process, instructions and manner for availing e-Voting facility is annexed to the Notice.

3. The e-voting period commences on **22nd September, 2017 at 9.00 A.M** and ends on **24th September, 2017 at 5:00 P.M.** During this period, Members holding shares either in physical form or demat form, as on **18th September, 2017, i.e. cut-off date**, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
4. The facility for voting through poll paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e – voting shall be able to exercise their right at the meeting.
5. Members who have cast their vote by remote e-voting prior to the AGM may also attend AGM but shall not be entitled to cast their vote again.
6. Mrs. B. Krishnaveni, Practicing Company Secretary [Membership No. ACS 9686] has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
7. Members can opt for only one mode of voting i.e. either by e-voting or poll paper. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Poll Paper shall be treated as invalid.
8. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose names is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date i.e., **18th September, 2017**, only shall be entitled to avail facility of remote e-voting and poll process at the venue of the meeting. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
9. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date, may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting, then you can use your existing User ID and password for casting your vote.
10. The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same.
11. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ctepl.com and on the website of CDSL www.cdslindia.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India, where the equity shares of the Company are listed.
12. The resolutions listed in the Notice of the AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.

The instructions for members for voting electronically are as under:

- (i) The e-voting period begins on **22nd September, 2017 at 9.00 A.M** and ends on **24th September, 2017 at 5:00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **18th September, 2017** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.

- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company name<CAMBRIDGE TECHNOLOGY ENTERPRISES LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

Contact details for queries relating to e-voting:

Mr. Mehboob Lakhani, Assistant Manager
Address: 16th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400001.
Email ID: helpdesk.evoting@cdslindia.com
Phone number: 18002005533

By the order of the Board
For Cambridge Technology Enterprises Limited

Sd/-
Tumuluri Venkata Siva Prasad
CFO & Company Secretary

Hyderabad
24th August, 2017

AN EXPLANATORY STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Pursuant to the provisions of Companies Act, 1956, the shareholders of the company had, in their meeting on 29th September 2007, increased the borrowing limits of the company and authorized the Board of Directors to borrow funds, from time to time, for the business of the company, up to an amount, the aggregate, outstanding of which should not exceed, at any given time Rs. 200 Crores.

Keeping in view the Company's existing and future financial requirements, to support its business operations and for meeting the enhanced long term working capital needs of the Company, and for various other purposes including the purposes as mentioned below at Item No. 5, the Company may envisage requirement of funds in future. In this regard, the Company is desirous of raising finance as rupee loans, foreign currency loans, debentures, bonds and/ or other instruments including but not limited to instruments / securities as mentioned at item no. 6 or non-fund based facilities or in any other form (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) from the Banks, Financial Institutions, Investment Institutions, Mutual Funds, Trusts, other Bodies Corporate or from any other source including but not limited to sources as mentioned at item no. 6, located in India or abroad, whether unsecured or secured, which may exceed the aggregate of the paid-up capital and the free reserves of the Company.

Hence it is proposed by the Board of Directors at their meeting held on May 24, 2017 to increase the overall maximum borrowing limits upto Rs. 400 Crores (Rupees Four Hundred Crores only). In terms of Section 180(1)(c) of the Companies Act, 2013 and the rules made thereunder, the Board of Directors requires shareholder's approval by way of Special Resolution to borrow moneys in excess of aggregate of the paid-up share capital and its free reserves [reserves not set apart for any specific purpose] excluding temporary loans obtained from the Company's bankers in the ordinary course of business.

The resolution contained in Item No. 4 of the accompanying Notice, accordingly, seek shareholders' approval as Special Resolution for increasing the borrowing limits.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the proposed resolution.

The Board recommends the resolution as set out in the Notice for your approval as Special Resolution.

Item No. 5

In order to facilitate securing the borrowing made by the Company as stated above or towards other permissible borrowings, it would be necessary to create mortgages or charges on all or any of the assets or properties of the Company [both present and future] in favour of any lender, including but not limited to the Financial Institutions / Banks / Debenture Trustees / sources as mentioned at item no. 6, etc in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender[s].

Section 180(1)(a) of the Companies Act, 2013 provides that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings only with the consent of the company by a special resolution. Pursuant to Section 110 of the Companies Act, 2013 read with rules made thereunder, the item of business related to sale of the whole or substantially the whole of an undertaking of a company as specified under sub-clause (a) of sub-section (1) of section 180 shall be transacted only by means of voting through a postal ballot. The mortgages and the charges on any of the movable and / or immovable or any tangible or intangible assets / properties and / or the whole or any part the undertaking[s] of the Company may be regarded as lease or disposal of the Company's undertaking[s] within the meaning of section 180[1][a] of the Act read with Rules made thereunder. Hence the item of business related to lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking,

of the whole or substantially the whole of any of such undertakings can be transacted at General Meeting.

The resolution contained in Item No. 5 of the accompanying Notice, accordingly, seek members' approval for lease or disposal of the Company's undertaking[s] by creation of mortgages, charges, etc. thereon and for authorizing the Board of Directors [including committee thereof authorized for the purpose] of the Company to complete all the formalities in connection with creating charge on Company's properties.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the proposed resolution.

The Board recommends the resolution as set out in the Notice for your approval as Special Resolution.

Item No. 6

The Company has been pursuing opportunities for its growth and requires adequate capital for expansion or diversification of business from time to time. The generation of internal funds may not always be adequate to meet all the requirements of the Company's growth plans. It would be therefore, prudent for the Company to have the requisite enabling approvals in place for meeting the fund requirements for its growth, capital expenditure, working capital, refinancing the existing borrowings and also such other corporate purposes or expenditures as may be permitted under the applicable laws and as may be specified in the appropriate approvals. This would also help the Company to take quick and effective action to capitalize on the opportunities, as and when available.

The requirement of funds is proposed to be met from both equity and/or debt from issuance of appropriate securities as defined in the resolutions and from both domestic and international markets. Prudence would require the funding to be structured with an appropriate mix of equity and/or debt to meet with the objective of optimization of the cost as well as conservative financial management.

Pursuant to section 62(1) of the Companies Act, 2013 and rules made thereunder, as amended in case the Company proposes to issue equity shares to any persons other than existing shareholders, whether or not such persons are shareholders, approval of shareholders through a special resolution is required.

The Board of Directors, accordingly, at their meeting held on May 24, 2017 has recommended to shareholders to give their consent through special resolution to the Board of Directors or any committee of the Board thereof to raise funds through issuance of Securities as stated in the resolution at item no. 6 such as **Equity Shares** and / or Global Depository Receipts [**"GDRs"**] and / or American Depository Receipts [**"ADRs"**] and / or Foreign Currency Convertible Bonds (**"FCCBs"**) and / or Debentures and / or any security convertible into Equity Shares and / or or any equity linked instruments, etc., [**"Securities"**] as may be appropriate by way of one or more public and/or private offerings, and/or on preferential allotment basis, and/or private placement basis including without limitation through a qualified institutions placement (**"QIP"**) or any combination thereof, through issue of prospectus and /or placement document/ or other permissible/requisite offer document or letter to any eligible person(s) as stated in the resolution at item no. 6, who may or may not be the existing shareholders, at a price to be determined as per the SEBI (Issue of Capital & Disclosure Requirement) Regulations, as amended (the **"SEBI Regulations"**) or as per other applicable rules and regulations, upto an amount not exceeding **USD 50 Million** and / or an equivalent amount in Indian Rupees or any foreign currency. While no specific instrument or instruments of Securities has been identified at this stage, the Board may opt for an appropriate instrument in the best interest of the Company. Such issue shall be subject to the provisions of the Companies Act, 2013, as amended and rules made there under from time to time, Articles of Association of the Company, the provisions of the Foreign Exchange Management Act, 1999, applicable rules, regulations and guidelines issued by the Securities and Exchange Board of India (**"SEBI"**), the Reserve Bank of India (**"RBI"**), the Government of India (**"GoI"**), the stock exchanges and / or any other competent governmental or regulatory authorities from time to time.

Pursuant to Sections 42 and 62 of the Companies Act, 2013, as amended read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Act"), as amended, a company offering or making an invitation to subscribe aforesaid Securities is required to obtain prior approval of the shareholders by way of the special resolution. Equity Shares, proposed to be issued, shall in all respects rank paripassu with the existing equity shares of the Company. If approved by the shareholders, QIP shall be completed within one year from the date of passing of Special Resolution. The Board may offer a discount of not more than 5% on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations. Equity Shares, proposed to be issued, shall in all respects rank paripassu with the existing Equity Shares of the Company.

For the reasons above, an enabling resolution is proposed for consideration of the Shareholders of the Company which has the effect of having an adequate authority and discretion, power to offer, create, issue, allot and market any securities to be issued, whether in one or more tranches to investors and to authorize Board of Directors (including any Committee thereof authorized for the purpose) to do all such acts, deeds and things on the matter on the terms and conditions as decided by the Board / Committee.

In view of the above, the resolutions contained in Item No. 6 of the accompanying Notice, accordingly, seek shareholders' approval through Special Resolution for raising funds as above through issue of Securities in one or more tranches and authorizing Board of Directors [including any Committee thereof authorized for the purpose] of the Company to complete all the formalities in connection with the issuance of Securities.

Directors or key managerial personnel of the Company or their relatives may be deemed to be concerned or interested in the Resolution to the extent of their shareholding in the Company.

The Board recommends these resolutions as set out in the Notice for your approval as Special Resolution.

By the order of the Board
For Cambridge Technology Enterprises Limited

Hyderabad
24th August, 2017

Tumuluri Venkata Siva Prasad
CFO & Company Secretary

ANNEXURE - BRIEF PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Additional Information on Directors seeking appointment/re-appointment in the Annual General Meeting (undersub regulation 3 of Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of Secretarial Standard -2

Mr. Aashish Kalra is the Chairman, CEO & Whole-time Director of the Company. He is a pioneering equity investor in Technology, Infrastructure, Real Estate, Energy, Logistics and Hospitality. Initially, at CT LLC, Aashish Kalra was also one of the co-founders of Cambridge/Samsung Partners, one of the earliest independent venture capital firm in Boston in 1996 in partnership with Samsung of Korea with a vision to provide funding and assistance for seed and early stage IT companies. Being a co-founder of Cambridge Samsung Resources, a leading Systems Integrator, he also concluded successful partnerships and joint ventures with Hewlett-Packard, Marubeni, NEC and other global 1000 companies. CT LLC has been associated as founders and investors of several successful technology companies.

As a Chairman, he foresees the global operations of CT, providing strategic vision and leadership to the company. He is responsible for the overall company growth and expansion. He has been consistently quoted in leading Indian and International media and was featured in the “Young Turks” program on CNBC. He is an international speaker and has participated in several industry events in America, Europe, India, China and the Middle East. In 2008, he was named one of the “Outstanding 50 Asian Americans in Business”.

The following are the details of Mr. Aashish Kalra:

Name of the Director	Mr. Aashish Kalra
DIN	01878010
Date of Birth	12 th February, 1971
Date of first appointment on the Board	14.05.2015
Age	46 Years
Qualification	Mr. Kalra attended The Doon School at Dehradun in India. He also holds a Master's degree in International Finance from Brandeis University, Waltham, USA, and graduated from St. Stephens College, Delhi with a Bachelor's degree in Economics (Honors). He did his thesis on the Japanese Financial System at Sophia University, Tokyo, Japan.
Experience	More than 24 years' of experience
Terms & Conditions of Re-appointment along with Remuneration sought to be paid	The terms and conditions are same as his original appointment as Whole – time Director pursuant to shareholder's resolution dated September 07, 2015. The remuneration sought to be paid by the Company is Nil.
Remuneration last drawn	Mr. Aashish Kalra did not draw any remuneration from the Company.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil

Expertise in Specific Functional Area	Wide experience in the field of investment, finance, business strategy and management, private equity, technology, infrastructure, energy, partnerships and joint ventures.
Number of Meetings of the Board attended during the year	3 meetings attended during the financial year 2016 - 17.
Names of Companies in which he holds the directorship	Sankalp Buildwell Private Ltd, Mahakumbh Capital Advisors Private Ltd and Cambridge Energy Renewable Resources Private Ltd.
Names of Companies in which he holds the membership of Committees of the Board	Nil
No of Shares held in the Company as on 31st March 2017	Nil

By the order of the Board
For Cambridge Technology Enterprises Limited

Hyderabad
24th August, 2017

Tumuluri Venkata Siva Prasad
CFO & Company Secretary

CAMBRIDGE TECHNOLOGY ENTERPRISES LIMITED

Registered Office: Unit No. 04-03, Level 4, Block 1, Cyber Pearl, Hitec-City,
Madhapur, Hyderabad, 500081

Tel: +91-40-4023 4400, Fax: +91-40-4023 4600

CIN: L72200AP1999PLC030997

Email: pvinayakam@ctepl.com

Website: www.ctepl.com

FORM OF PROXY

[Pursuant to section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : Cambridge Technology Enterprises Limited; CIN: L72200AP1999PLC030997
Registered Office : Unit No. 04-03, Level 4, Block 1, Cyber Pearl, Hitec-City, Madhapur, Hyderabad-81.
Venue of the Meeting : Ruby Hall, 5th Floor, Hotel Peerless Inn, Plot #15 to 18, Lumbini Layout, Gachibowli,
Hyderabad – 500 032, Telangana State, India
Date and Time : Monday, 25th September, 2017 at 10.30 A.M.

Name of the member(s)	
Registered address	
E-mail	
Folio no. / Client ID*	
DP ID*	
No. of shares held	

*Applicable for investors holding shares in Electronic form

I / We, being the member(s) of shares of the above named company, hereby appoint:

1. Name: , residing at..... having
E-mail: or failing him / her
2. Name: , residing at.....
having E-mail: or failing him / her
3. Name: , residing at..... having
E-mail: or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on Monday, 25th September, 2017 at 10.30 A.M. at Ruby Hall, 5th Floor, Hotel Peerless Inn, Plot #15 to 18, Lumbini Layout, Gachibowli, Hyderabad – 500 032, Telangana State, India and at any adjournment thereof in respect of resolution as indicated below:

Resolution No.	Resolution	(Please mention no. of shares)	
		For	Against
Ordinary Business			
1.	Adoption of Audited Consolidated & Standalone Financial Statements		
2.	To appoint a Director in place of Mr. Aashish Kalra, Chairman & CEO, Whole-time Director (DIN: 01878010) who retires by rotation and being eligible, offers himself for re-appointment		
3.	Re – appointment of Statutory Auditors		
Special Business			
4.	Increase in borrowing limits.		
5.	Creation of Security on the Properties of the Company in favor of the Lenders.		
6.	Raising of funds through Issue of FCCB's / other permissible Securities for an amount not exceeding USD 50 Million.		

Please put a tick mark (✓) in the appropriate column against the resolution indicated in the box. If a member leaves the "For" or "Against" column blank against the Resolution, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signed this day of 2017.

Affix
revenue
stamp of
rupee
One

Signature of the member

Signature of the proxy holder(s)

Notes:

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

CAMBRIDGE TECHNOLOGY ENTERPRISES LIMITED

Registered Office: Unit No. 04-03, Level 4, Block 1, Cyber Pearl,
Hitec-City, Madhapur, Hyderabad, 500081

Tel: +91-40-4023 4400, Fax: +91-40-4023 4600

CIN: L72200AP1999PLC030997

Email: pvinayakam@ctepl.com

Website: www.ctepl.com

ATTENDANCE SLIP

Name of the Company : Cambridge Technology Enterprises Limited
Registered Office : Unit No. 04-03, Level 4, Block 1, Cyber Pearl, Hitec-City,
Madhapur, Hyderabad-81.
Venue of the Meeting : Ruby Hall, 5th Floor, Hotel Peerless Inn, Plot #15 to 18, Lumbini
Layout, Gachibowli, Hyderabad – 500 032, Telangana State, India
Date and Time : Monday, 25th September, 2017 at 10.30 A.M.

Name of the member(s) / Proxy	
Registered address	
E-mail	
Folio no. / Client ID*	
DP ID*	
No. of shares held	

*Applicable for investors holding shares in Electronic form

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the Annual General Meeting of the Company at Ruby Hall, 5th Floor, Hotel Peerless Inn, Plot #15 to 18, Lumbini Layout, Gachibowli, Hyderabad – 500 032, Telangana State, India, on Monday, 25th September, 2017 at 10.30 A.M.

Name of the member / proxy
(in BLOCK letters)

Signature of the member / proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.

CORPORATE INFORMATION

BOARD OF DIRECTORS

- | | |
|-----------------------------------|------------------------|
| 1. Mr. Aashish Kalra, | Chairman & CEO |
| 2. Mr. Dharani Raghurama Swaroop, | Whole – Time Director |
| 3. Mr. Venkat Motaparthi, | Independent Director |
| 4. Mr. B. Muralidhar, | Independent Director |
| 5. Mrs. K. Jayalakshmi Kumari, | Independent Director |
| 6. Mr. Stefan Hetges | Non-Executive Director |

CFO & COMPANY SECRETARY

T V Siva Prasad

BANKERS

Kotak Mahindra Bank Limited, IDBI Bank Limited & Axis Bank Limited

STATUTORY AUDITORS:

M. Anandam & Co.,
Chartered Accountants
7 'A' Surya Towers, Sardar Patel Road,
Secunderabad - 500 003
Telangana State, India

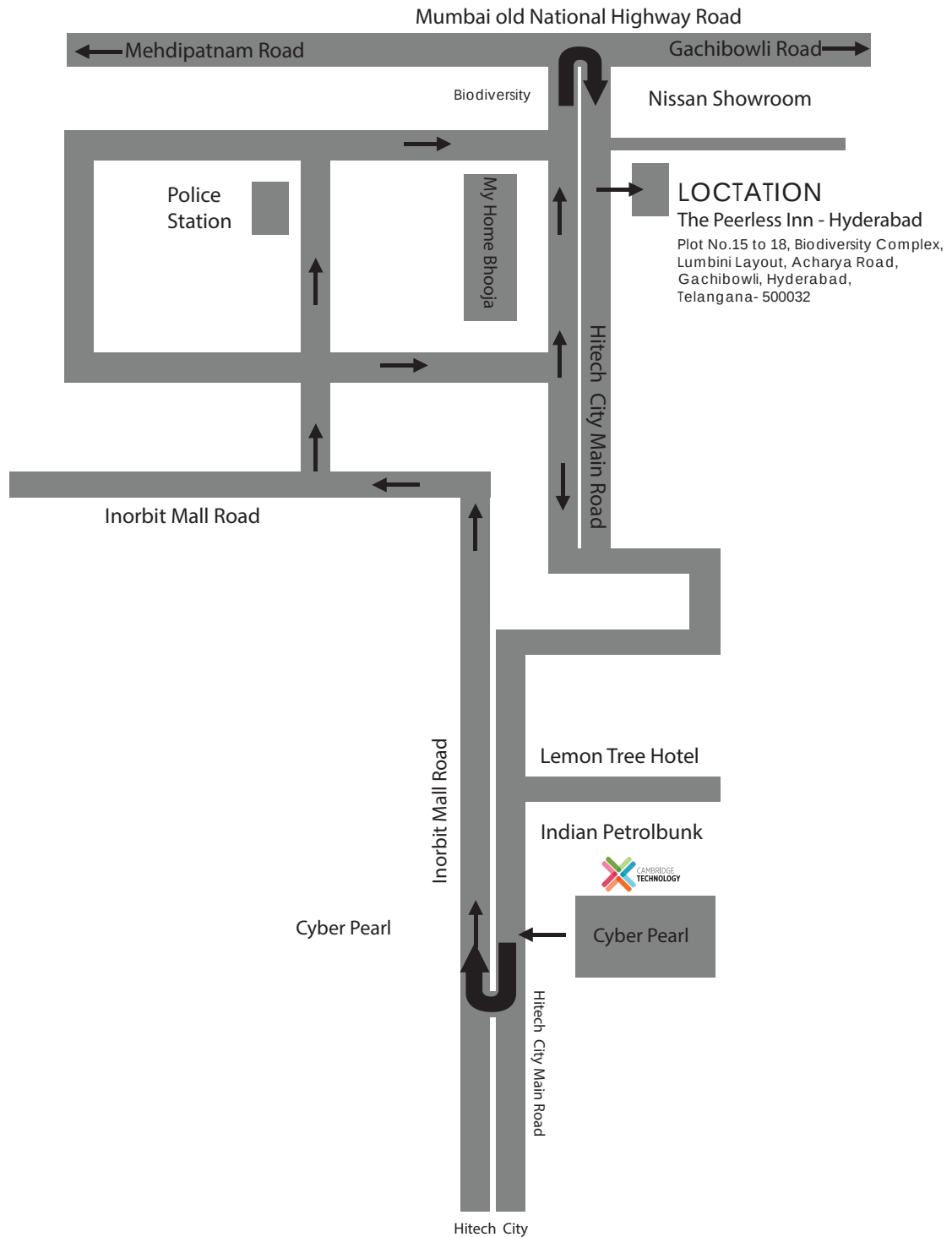
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AGM VENUE MAP



NOTES

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